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NEWS SUMMARY

GENERAL

Over 1m vote in Rhodesia election

Voting in Rhodesia's one-man, one-vote election topped the 1m mark with 37 per cent of the electorate turning out in the first two days, the transitional Government announced yesterday.

The Government — which wants a high turnout to back its claims for international support in its war against Patriotic Front guerrillas—said 1.07m out of the 2.8m black and 104,000 white electors had voted by 2 pm.

Two soldiers were killed in action and another was murdered in the past 24 hours, the military announced. Fifteen guerrillas and 10 collaborators had also died. Earlier report, Page 3

'Free Lebanon'

The commander of the Right-wing Christian forces in South Lebanon has declared the area an independent "free Lebanon" as a Lebanese army column arrived in the UN-controlled area south of the Litani River amid shellfire. Page 3

Tehran rally

About 10,000 Iranian troops and hundreds of thousands of civilians paraded through Tehran as the country's Islamic leaders appealed for national unity. Page 3

Oil spill claim

A U.S. Federal judge in Chicago *has cleared the way for lawsuits* seeking nearly £1bn in damages *from Standard Oil Company for* the oil pollution from the wrecked tanker *Amoco Cadiz* off the French coast.

Marvin award

U.S. singer Michelle Marvin was awarded $104,000 (£50,250) in her Los Angeles suit for compensation from film star Lee Marvin for the six years they lived together. It is a test case of the law allowing former *lovers to sue for property* rights.

Arms code near

New international conventions banning the indiscriminate use of land mines and booby traps *as well as weapons containing* undetectable fragments are near *completion after four weeks of* talks in Geneva. Page 2

Wigan winners

FT racing tipster Dominic Wigan's starred selections all won at Newmarket yesterday—Hawaiian Sound at 5-4, Lyric Dance (3-1) and Vaigly Great (2-1)—for a 27-1 treble. Today's selections, Page 22

Stately bomb

A live wartime butterfly bomb has been found in a stately *home* near Grantham, Lincs., which last weekend attracted *10,000 visitors. The* Belton House bomb, which was polished twice a day, was blown up by experts.

Jail health plea

Public health inspectors should have the power to inspect prisons, which now have Crown immunity, the Environmental Health Officers Association has said in evidence to an inquiry.

Briefly ...

Soldier was shot and wounded by a sniper in the Turf Lodge area of Belfast.

Volcano in St. Vincent, *the* Caribbean isle, erupted again *after a lull of three days.*

Gambler Joseph Sunlight, the Cheshire architect who won and lost thousands backing horses, left £5.7m in his will.

Kidnappers have released the grandson of the founder of Italy's Lancia Motor Company after receiving £400,000 ransom.

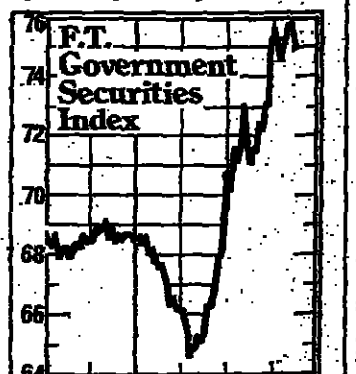
The U.S. has renewed its offer to sell F-5 jets to Pakistan but *is not offering technical nuclear* aid.

Israeli-Egyptian peace treaty will be ratified in the Sinai Desert next Wednesday.

BUSINESS

Gilts unease hits new stock

● **GILTS** were uneasy in a bout of pre-election nerves, longer-dated stocks sustaining losses stretching to a point and sometimes more. The new medium-life Exchequer 11 per cent 1991



slipped to its lowest yet of *£14¼. Losses on shorter* issues were limited to 9/16. The *Government* Securities index was down 0.74 at 74.92.

● **EQUITIES** fell after a steady *start, the FT 30-share index* closing 4.5 down at 534.4, the *day's lowest.*

● **STERLING** and the U.S. dollar both lost ground in *fairly active trading.* The pound finished at $2.0730, a loss of 1.2c from Tuesday, and its trade-weighted index was down at (67.5). The dollar's trade-weighted index was down at 85.6 (85.9).

● **GOLD** closed in London at $237¼.

● **WALL STREET** near the close was up 4.51 at 862.44.

● **SHELL** warned that the UK will stop being self-sufficient in *oil by 1985 unless governments* make it more economic for some smaller North Sea oilfields to be developed. Back Page

● **LORD THOMSON** of Fleet *emphasised that the Thomson* Organisation has no plans to sell The Times or the Sunday Times. Back Page.

● **BL** shop stewards decided to withdraw from plant negotiations with the company until a dispute on the introduction of pay parity factory-by-factory has been resolved. Back Page

● **JAPAN'S** current account in March showed a deficit of $192m (£93m) but the trade account surplus expanded to $1.51bn compared with $1.1bn in February. For the year, trade edged into a record surplus of $20.6bn from $29.3bn. Page 4

● **RETAIL SALES** this year have been lower than in the second half of 1978, but there have been signs in the past fortnight that trade is picking up. Back Page

● *IMPERIAL CHEMICAL* Industries expects its bill for naphtha, a basic petro-chemical feedstock, to be £100m higher this year than in 1978. Back Page

● **HONG KONG** interest rates were raised for the second time in 10 days and the seventh time since November in an effort to shore up the Hong Kong dollar. Page 36

COMPANIES

● *DELTA METAL'S* pre-tax profit jumped 19 per cent to a *record £28.45m in 1978 on sales* up from £420.14m to £448.7m. Page 28 and Lex, Back Page

● **BURMAH OIL** continued turnround in 1978 with taxable profit of £17.13m against £3.61m on sales of £984.8m (£856.7m) *net of duties. There is still no* return to dividends. Page 26 and Lex, Back Page

● *STANDARD CHARTERED* **BANK** pre-tax profits reached *£122.63m for the nine months* to December 31, despite being depressed in sterling terms by the appreciation of the pound. Page 32 and Lex, Back Page

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES:			Southvaal	466	+ 25
European Ferries	170½	+ 5	*Vaal Reefs*	£13¾	+ 1
Extel	170	+ 8	Western Hldgs.	£17	+ 1¼
Heron Motor	56	+ 4	*FALLS:*		
Hewitt (J.)	38	+ 6	Treas. 12pc 1983 A	£103	− 1/16
Hume Hldgs.	89	+ 3	Transport 3pc '78-88	£68¾	− 1¼
Liberty	203	+ 9	Alexanders Discnt.	280	− 10
Lon. Scot. Finance	52	+ 6	Brown (J.)	555	− 6
Lovell (Y. J.)	138	+ 8	Currys	199	− 6
P'mth. & Sn. News.	105	+ 7	Dawson Intl.	111	− 6
Reardon Smith	95	+ 5	Decca A	392	− 11
Standard Chartered	484	+ 6	Fisons	286	− 14
Watts Blake	135	+ 7	GEC	412	− 7
Wettern Bros.	111	+ 6	Hay (Norman)	64	− 4
Candecca	66	+ 6	Parker Timber	153	− 12
Anglo Amer. Corp.	335	+ 11	Pilkington	383	− 7
Cons. Murchison	260	+ 25	Pye Hldgs.	105	− 7
General Mining	430	+ 20	Senior Eng.	25¼	− 2
Impala Platinum	182	+ 12	*Sotheby P. B.*	348	− 7
Middle Wits.	240	+ 10	Wadkin	165	− 7
Randfontein	£25	+ 2⅝	*Woolworth (F. W.)*	81	− 4

Hattersley unveils plans to strengthen Price Commission

BY RICHARD EVANS, LOBBY EDITOR

Mr. Roy Hattersley, Prices Secretary, unveiled plans for "a major strengthening" in the powers of the Price Commission yesterday to add to the Government's controls over inflation.

In particular, the Commission under a *Labour Government* would be able to investigate areas at present outside its province, including interest rates, *and possibly insurance* premiums, professional fees and package holidays.

As Mr. Hattersley disclosed Labour plans to combat price rises, Mrs. Thatcher and Sir Geoffrey Howe, Shadow Chancellor, were indicating the level of income tax cuts a Conservative Government would be seeking.

The Tory leader said at her London news conference that her Government would eventually wish to reduce the basic level of tax to below 30p in the pound, and the top rate of income tax to the present European average of 57p in the pound.

She said that reducing the top rate to 60p would cost about £400m a year, but much of this should be made up from the expected reduction in tax avoidance and the prospects of many high salary earners returning to Britain.

The first signs came yesterday of the sluggish campaign coming alive. Other major issues were State aid on employment, particularly in areas of high technology, and the Government's attitude to the Common Market.

Mr. Callaghan switched his election attack back to jobs in a speech at Hemel Hempstead last night. He claimed that a close partnership between Government and industry was the only effective way to create the necessary employment for the future.

And both Mr. Edward Heath, former Conservative leader, and *Mr. David Steel, Liberal* leader, denounced Labour leaders for their "unscrupulous" attitude towards the European Community.

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Editorial Comment Page 24
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At the Labour Party news conference, Mr. Hattersley said the Government proposed to strengthen the power of the Price Commission still further, and to extend price control in four ways:

● The Commission would be given power, following an investigation, to require reductions in specific prices. At present, the Commission possessed only the power to prevent an increase.

● It would have the additional power to investigate the price of specific good and services when there was no immediate *application* for a price increase. At present, the Commission could only investigate when a price increase was proposed.

● The Commission would be given the power to initiate examination of the costs and prices in whole sectors of industry. At present, this power rested with the Government.

● There would also be the *power to investigate and examine prices in areas of industry* and commerce which, though at present exempt, were not excluded because of Treaty obligations. It is in this category that subjects such as interest rates, including mortgages and overdrafts, would be included.

At the Conservative news conference, Sir Geoffrey Howe once more promised that the Conservatives would not only cut substantially the basic and higher rates of income tax, but would raise substantially the level at which people started paying tax.

The Tories were *"determined"* to spend less of the taxpayers' money, and were ready to raise taxes on spending, such as value added tax, to pay for the change. In his view, indirect taxes made much more economic sense than tax on earnings.

Continued on Back Page

Earnings rise by 5.5% in seven months

BY DAVID FREUD

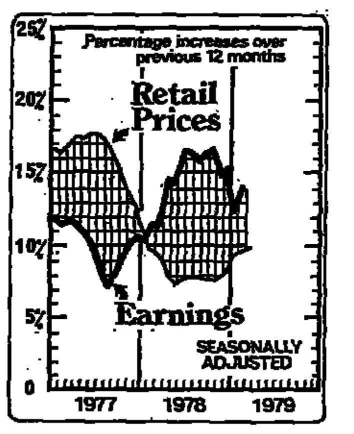
SO FAR about half the employees covered by major wage deals have settled this year's round—roughly the same number as 12 months ago.

This means that the pace of settlements has picked up significantly since the industrial troubles of the winter, when the number of pay agreements was lagging far behind those in the equivalent period of the previous round.

By mid-April—nine months into the round—5m employees had settled under major deals, half of them in the public sector. Recent agreements by National Health Service nurses, ambulancemen and ancillaries, *miners,* university staff and steel workers have helped swell the total.

Figures released yesterday by the Department of Employment show that in the first seven months of the round to February, average earnings rose by 5.5 per cent.

This compared with a 4.9 per cent rise at the same stage of the previous round, which ended with a 14.2 per cent increase over the round as a whole.



Whereas 2.9m employees covered by major settlement had *agreed in the first seven months* of Phase Three, only 2.1m had *settled in the same period of the* current round.

The February figures probably reflect a degree of catch-up after the industrial disputes and bad weather of January, when average earnings fell by 1.7 per cent.

The months rise in February in the new index—which covers all employers and is unadjusted—was 3.7 per cent, bringing the 12-month rise to 14.9 per cent.

The February index figure of 141.0 (January, 1976=100) was *also affected by the inclusion of productivity* bonuses backdated to April, 1978, for Post Office employees. That contributed about 1½ percentage points to the February rise.

The older index, which covers mainly production workers has risen by 6.7 per cent in the first seven months of the wage round, compared with an increase of 8.7 per cent at the same time in Phase Three.

The index stood at 355.4 (January, 1970=100, seasonally adjusted) in February, up 14.1 per cent on the level 12 months before and 3.1 per cent on January.

The index covering basic weekly wage rates rose 18.4 per cent in the 12 months to March to stand at 282.6 (July 31, 1972=100).

Recovery in UK economy forecast Page 6
Retail sales recover Back Page

ITT may sell part of STC

BY MAX WILKINSON

INTERNATIONAL Telephone and Telegraph is expected to announce plans shortly to sell off part of its UK subsidiary, Standard Telephones and Cables.

Details of the planned public flotation will probably be disclosed in the next few weeks, although informal talks about the possibility have already taken place with the Stock Exchange.

ITT appears to be considering offering for sale between 15 per cent and 20 per cent of its shares in STC, which is at present wholly owned by the American company. The offer is expected *to be made in early summer.*

The flotation, which has been considered for some time, appears to have been brought forward by ITT as part of a concerted policy to "Europeanise" its subsidiaries.

Earlier this month, it was reported that ITT was intending to sell off several of its remaining French subsidiaries, including Claude, an electric light manufacturer, and Oceanic, a television manufacturer.

ITT is, however, holding on to CGCT, its telephone equipment subsidiary in France. In 1976 ITT sold its other telephone switching subsidiary, Le Materiale Telephonique (LMT), to Thomson of France after pressure from the French Government.

In West Germany, ITT sold 30 per cent of its subsidiary, Standard Electric Lorenz, two years ago.

STC has been anxious for some while to emphasise its role as a UK company, not least because its most important customer is the British Post Office.

In the last few years it has encountered considerable suspicion and even hostility as a result of its U.S. ownership.

In particular, Plessey and the General Electric Company, which are co-operating with

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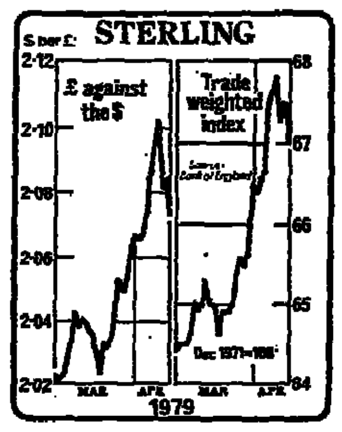
For latest Share Index phone 01-246 8026



Sterling falls sharply

By Peter Riddell, Economics Correspondent

STERLING FELL sharply yesterday against most other major currencies, including an otherwise weak dollar.

The trade-weighted index, measuring the value of sterling against a basket of other currencies, dropped by 0.5 to 67.0. This compares with a three-year high of 68.0 touched just over a week ago.

Over the last week the pound has declined by 1.6 per cent against the Deutschemark, by 1.5 per cent against the Swiss franc and by 1.1 per cent against the French franc. *These falls followed a month in which* the trade-weighted index rose by 5 per cent.

The pound yesterday dropped *1.2 cents against the dollar to* $2.0730, slightly above the low point for the day. In contrast, the dollar lost ground against other currencies. It fell, for example, to Y215½ from Y217¾, while its trade-weighted index, as calculated by the Bank of England, dropped by 0.3 to 85.6.

The weakness of the dollar in the last couple of days has mainly been a response to the reduced likelihood of higher U.S. interest rates and tighter monetary policy in the immediate future.

Foreign exchange dealers said that the decline in sterling in part reflected profit-taking after the earlier strong rise, as well as slight nervousness about the UK economy and policy ahead of the election.

Business has not been particularly heavy, though there was some sizeable selling yesterday from both Switzerland and the U.S. and there may have been some small-scale official intervention to steady the rate.

The recent drop in the pound has also been one of the main reasons for the unsettled conditions in the gilt-edged market in last day or two.

Prices of long-dated stock fell by a point or more yesterday and the recently issued medium-dated stock (Exchequer 11 per cent 1991) dropped to £14¼.

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IMPROVEMENT IN $ PROMPTS...

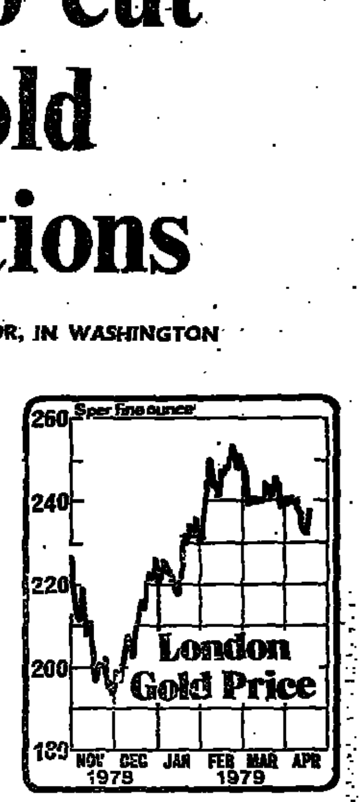
U.S. to cut gold sold at auctions

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE U.S. has decided to cut by half the amount of gold the Treasury sells at its monthly auctions, mainly because of the improved state of the dollar on the foreign exchange markets.

The brief Treasury announcement that only 750,000 ounces of gold will be put up for bids beginning with next month's auction also noted that "gold no longer appears to be a destabilising factor" in the international money markets. The price of gold rose sharply after the announcement.

The current series of gold sales from the U.S. stockpile began last May at the level of 300,000 ounces a month as part of the attempt to relieve pressure on the dollar by *reducing the balance of payments* deficit.



Successful

Last November, as the U.S. began marshalling more resources in the defence of its battered currency, the monthly volume was raised to 750,000 ounces and a month later doubled again to 1.5m ounces.

The dollar support operation, which also featured sales in West Germany and Switzerland of U.S. bonds, *wider central* bank swap arrangements and *austere domestic fiscal policies,* has so far proved both successful and, with the dollar's recent sharp improvement, inexpensive.

Both the Federal Reserve and the Treasury have said that the U.S. has now repaid almost all the $5bn-plus swap debts it had incurred with West Germany and Switzerland.

Since last May the Treasury has sold just over 10m ounces of the metal, $2.247bn worth. Of this $424m was used to retire *existing gold certificates, with* the balance of some $1.8bn *serving to reduce the official* current account deficit.

Hectic trading

In the last fiscal year the U.S. deficit amounted to about *$16bn, but, even with the additional* cost of higher-priced *OPEC oil imports, it is confidently* expected that this year's shortfall can be cut at least by half.

Colin Millham writes: Gold rose $5⅜ to close at $237¼, the highest level of the day in London, although it continued to rise later in New York.

Trading was hectic in the afternoon, with the metal gaining about $4 as a result of the announcement from the U.S. about the future level of Treasury gold sales.

The price of $239¾ quoted in New York, shortly after the London close, took gold back to the level of about a week ago. After rising to record *levels of around $254 in February, gold was steady at the* $240 level for most of *last* month, but lost ground quite sharply just before the Easter holiday.

Shares rally

Stephen Thompson writes: The U.S. decision prompted a flurry of buying of South African golds on the London Stock Exchange.

The share market, recently depressed by adverse comment in the Wall Street Journal, rallied strongly yesterday morning following the outcome to Tuesday's U.S. auction and pushed further ahead after the Treasury decision was known.

Most of the buying came from the U.S. and the Gold Mines index, which last Thursday fell to its lowest level for four months, climbed 7.3 to 137.2. Among heavyweights Randfontein jumped £2⅝ to £25, *while gains of a point or* more were seen in Vaal Reefs, £13¾ and *West Driefontein,* £18¼.

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£ in New York

—	April 17	Previous
Spot	$2.0840-0850	$2.0895-0905
1 month	0.29-0.24 dis	0.20-0.15 *dis*
3 months	0.56-0.51 dis	0.57-0.52 dis
12 months	1.45-1.35 dis	1.30-1.15 dis

BANK OF ITALY SCANDAL

Magistrates block steps to reinstate Sarcinelli

BY PAUL BETTS IN ROME

THE CONFLICT between the Italian State and the judiciary over the controversial Bank of Italy affair deteriorated sharply yesterday after a move by the magistrates to block the proposed reinstatement of Sig. Mario Sarcinelli, at present temporarily suspended from his position as joint deputy Director-General of the central bank.

The magistrates' decision came on the eve of a Cabinet meeting during which Sig. Filippo Maria Pandolfi, Treasury Minister, was expected to officially request Sig. Sarcinelli's reinstatement.

But the magistrates yesterday blocked Sig. Sarcinelli's reinstatement by enforcing Article 304 of the Italian penal code.

The article empowers magistrates to suspend a public official during preliminary judicial proceedings if they consider the charges sufficiently serious.

Sig. Sarcinelli was arrested last March in connection with judicial investigations into allegedly irregular loans granted to Societa Italiana Resine (SIR), one of Italy's largest chemical groups, now on the verge of collapse.

After spending 12 days in prison, the Deputy Director General was released on bail earlier this month and temporarily suspended from office by the Central Bank in view of Italian legislation relating to public officials on bail.

However, senior management of the Bank of Italy had proposed during the past few days to reinstate Sig. Sarcinelli, who, like Dr. Paolo Baffi, the Central Bank Governor, has vigorously denied all charges against him.

The charges specifically relate to allegations that Sig. Sarcinelli and the Central Bank Governor apparently failed to notify the magistrates about the findings of a Central Bank inspection into loans granted to SIR by the Sardinian special credit institute, CIS.

The Treasury Minister, who with other leading political and economic figures, has firmly defended the two top Bank of Italy officials from the beginning, was now understood to be on the point of endorsing the request of the central bank to reinstate Sig. Sarcinelli.

The latest initiative of the magistrates barely 24 hours before today's Cabinet meeting has fuelled the controversy over the entire affair, since the central bank has demanded withdrawal of the charges and the bank's senior management has threatened to resign *en bloc*.

Sig. Fabrizio Cicchitto, the Italian Socialist Party's economic spokesman, said yesterday that the latest move by the magistrates represented "a further step in the escalation of attacks against the present senior management of the Bank of Italy which could have severe repercussions."

At the same time, Sig. Giulio Andreotti, the Italian caretaker Prime Minister, is coming under increasing pressure to pronounce publicly on the issue.

Already a number of Cabinet Ministers, leading politicians and economists have expressed their confidence in Dr. Baffi and the central bank.

Apart from speculation that the entire affair could entail possible backstage political manoeuvres at a time of imminent General Elections, the various initiatives of the magistrates have been criticised since the arrest and suspension of Sig. Sarcinelli were not compulsory by law but at the discretion of the magistrates.

At the same time, the magistrates have not taken any direct action against the Central Bank's Governor, who effectively faces the same charges as Sig. Sarcinelli.

Agreement near on new arms convention

By Brij Khindaria in Geneva

NEW INTERNATIONAL conventions, banning the indiscriminate use of land mines and booby traps as well as weapons containing undetectable fragments, are near completion after four weeks of negotiations in Geneva.

A conference is to be called next September to finalise the conventions, and to study the possibility of a third treaty, putting strict limits on the use of incendiary weapons, such as napalm and flame-throwers.

The convention concerning land mines and booby traps will follow the lines of a British proposal whose aims are to minimise harm to civilians and to ensure that the location of mines and other explosive devices is disclosed at the end of hostilities to prevent accidents.

The convention as drafted so far bans the use of ordinary objects as booby traps rigged with explosive devices. The ban would also outlaw tampering with letters and parcels to convert them into bombs.

Armies using land mines would be obliged to keep a detailed record of their locations and would have to disclose publicly these locations at the end of hostilities.

Remotely delivered mines, such as those dropped by air, must be built so that they de-activate themselves or explode after a certain time, because it is difficult to keep a complete record of their location.

The convention along these lines will be a big step forward in regulating the use of mines, especially by retreating armies, without preventing their use as legitimate weapons of war.

Some governments are wary of being forced to disclose exact locations, particularly in cases where they are fighting continual wars against dissident guerrilla groups, such as national liberation movements.

The use of fragmentation weapons as such would not be banned, because they are seen by many governments as being legitimate weapons. The ban would extend only to weapons that contain undetectable fragments.

IMF AND EUROPE'S PROBLEM ECONOMIES

Portugal hope for $50m loan accord

BY JIMMY BURNS IN LISBON

PORTUGAL and the International Monetary Fund have resumed negotiations that could lead eventually to the renewal of the Portuguese letter of intent and the release by the Fund of a $50m credit facility.

A top-level Portuguese delegation led by Dr. Jose Silva Lopes, Governor of the Bank of Portugal, and Dr. Vitor Constancio, the former Finance Minister, left for Washington yesterday for three or four days of talks aimed at breaking the deadlock with the IMF.

The first round of negotiations between Portugal and the Fund ended at the beginning of last month with both sides disagreeing about the target for a reduction this year in Portugal's current account deficit, and about the scope of the austerity programme which the Government should pursue to achieve it.

Before leaving for the U.S., a member of the negotiating team expressed confidence that both sides would show flexibility and that a fresh agreement would be signed in Lisbon, probably by June.

Portuguese officials will present the Fund with a set of final figures showing a much better improvement in the balance of payments position in 1978 than originally estimated.

Unpublished figures from the Bank of Portugal show that Portugal's current account deficit was reduced in 1978 from $1.5bn (£750m), to $775m (£387m).

The trade deficit last year was $2.3bn (£1.15bn), not $2.4bn (£1.2bn) as originally forecast.

The trade deficit was mainly offset by a substantial increase in immigrant remittances and a favourable balance in tourism, up by 45 per cent and 60 per cent respectively.

In its letter of intent to the Fund last year, Portugal undertook to reduce its current account deficit to $1bn between April 1978 and March 1979.

Portuguese officials, however, continue to believe that a substantial improvement to the balance of payments this year will be adversely affected by international price increases, and that this should be taken into account by the Fund.

Oil imports, which last year accounted for some 11 per cent of Portugal's total import bill, are expected to increase by 16 per cent in value this year, putting further strain on the balance of trade.

Whether or not Portugal signs its crucial agreement with the Fund still largely depends on the outcome of the political crisis brought on by the defeat of the Government in Parliament last month.

The negotiating team is going to Washington hoping that the Government's revised budget will be approved by Parliament next month and that this will then pave the way for the third and final round of talks in Lisbon with the Fund.

The signing of a new letter of intent as the basis for Portugal's short-term economic policy is felt to be crucial in reviving the sagging confidence of the international banking community in Portugal's position.

This is thought to have been aggravated by the threat of an early election in the autumn and the imminent collapse of the non-party government led by Sr. Carlos Mota Pinto.

Mission expected in Ankara next week

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

A MISSION from the International Monetary Fund is expected in Ankara early next week to resume negotiations with Turkey, but IMF officials are sounding a cautionary note.

Mr. Bulent Ecevit, Turkish Prime Minister, said last weekend that Turkey has "come to a hopeful phase" in its relations with the Fund.

However, Fund officials now warn that major technical issues remain to be thrashed out.

Bankers say that until Turkey feels secure that these issues are near solution, it is likely to delay the final moves in restructuring £1.5bn of short-term debt and seeking the £200m of fresh money which important Western banks has promised.

IMF officials say that two major problems between Turkey and the IMF appear to have been resolved. The first, Turkey's refusal to make an immediate devaluation of about 30 per cent, was overcome by the IMF's agreeing to adopt a more flexible approach to Turkey's exchange rate policy.

The second problem was over the IMF's reluctance to agree to the Turkish Government's request that any commitments it makes should be kept secret.

That problem was taken up last week in Zurich by M. Jacques de Larosière, managing director of the IMF, and Mr. Ziya Muezzinoglu, Turkish Finance Minister.

During a two-day meeting, Turkey apparently accepted IMF demands for giving a degree of publicity to whatever agreement Turkey and the IMF reach.

IMF officials say that the main issues now outstanding arise from inflation having been over twice the rate of 25-30 per cent on which the original letter of intent was based.

They say that this will require a complete reassessment of targets for monetary financing and the public sector deficit as well as of the pricing policies of Turkey's large state economic enterprises.

The Fund officials warn that this process will not be simple. They also say they regret Turkey's present insistence on renewing its letter of intent rather than renegotiating a new one.

Renegotiation would allow the Turks to draw on the newly-available Witteveen Fund. *But Ankara fears that* starting afresh could delay the availability of the new funds it has been looking for from other sources, in particular the Western banks and the Western governments who undertook to help Turkey at the Guadeloupe summit in January.

Bundesbank defends credit move

BY JONATHAN CARR IN BONN

THE BUNDESBANK today defended its decision to raise discount and Lombard rates, noting the big outflows of capital and downward pressure on the D-mark since the start of this year.

The central bank has long argued that its decision was justified domestically by the need to curb the strong growth in money supply and to try to dampen inflation.

Hence the raising of Lombard rate by ½ per cent to 4 per cent in January—then the further increases, of Lombard rate to 5 per cent and discount rate to 4 per cent, with effect from March 30.

There have been fears in the Bonn Government that the action might encourage capital inflows attracted by relatively higher German interest rates—this making it harder for the U.S. to finance its balance of payments deficit.

But, in its latest monthly report out today, the Bundesbank notes that in marked contrast to last year, the U.S. currency has been so buoyant that German monetary authorities have occasionally had to hold it down through dollar sales.

Even within the European Monetary System (EMS), the D-mark has generally been at the lower end of the agreed fluctuation band.

In these circumstances, an increase in West German interest rates was not only tolerable but actually desirable.

Despite the Bundesbank's argument, there remain fears that the strength of the dollar may be only temporary. It is felt that both the relatively high inflation rate in the U.S. and the balance of payments deficit may work to depress the U.S. currency again later this year.

Should this happen, it is believed that it will face the EMS with its first major test—and that the D-mark is likely once again to find itself a leading candidate for an upward parity change.

French industry 'is picking up'

BY TERRY DODSWORTH IN PARIS

A FAVOURABLE sales outlook up to the August holiday period and further evidence of a pick-up in industrial activity, are the main points of the latest monthly report from the Bank of France.

The report unequivocally confirms the underlying trend towards industrial recovery in France.

Output in March proved to be better than in either January or February, when the improvement was already clear, and in certain sectors there is now evidence of component shortages beginning to hinder a more rapid take-off.

But the survey also stresses that, as yet, the upturn is making only a negligible impact on unemployment and investment, the two most pressing problems in the French economy today.

Despite the bright outlook for the economy overall, there is little hope that the high level of unemployment will begin to improve in the next few months.

Manufacturers are continuing to show a marked reluctance to take on new full-time workers, and a large proportion of investment is continuing to go into productivity improvements.

Where shortages are occurring, says the report, industry is tending to turn to subcontractors and part-time employees, along with more overtime. This trend has been reinforced by the recent increases in raw material prices.

The improvement in order books and output is due to increased demand both at home and overseas.

In France, some of this upturn may be exaggerated because of buying forward in a number of industries in advance of price increases, but this should not lead to a serious fall in the months ahead.

The most marked improvement in the home market has come in the semi-finished goods sector, while overseas the capital goods industries are doing best.

Particularly promising is the upturn in the building and civil engineering sector, which has been extremely depressed, but which now appears to be moving forward.

Hunger strike in 15th day at Spanish Ford

By Robert Graham in Madrid

FOUR UNION leaders from the Ford plant at Almusafes, near Valencia, have entered their 15th day of hunger strike in protest at their sacking last month.

At the same time, the Ford workforce has still refused to work normally even though the Government yesterday announced an imposed wage settlement. The Ford plant has been affected by unrest since mid-February.

In an effort to improve the atmosphere, Ford has offered to discuss the Government-imposed settlement, holding out the possibility of extra concessions.

But the management is still taking a hard line on reinstatement of 13 union leaders, four of whom are on hunger strike.

These men, Ford claimed, had provoked unrest.

The Government-imposed settlement approved by the Ministry of Labour, was for a 12 per cent pay increase covering the 10,300 workforce.

Hire-purchase rates reduced

BY DAVID WHITE IN PARIS

FRENCH CONSUMERS who buy on credit can expect lower interest rates and more flexible conditions from next month, following the Government's latest steps in its programme for scrapping price controls.

M. René Monory, who as Economy Minister has been given the job of installing a free market in French retailing and services, yesterday outlined plans to liberalise hire purchase rates, now at a basic 17.3 per cent.

The opening up of competition between consumer credit organisations, due to be given rubber-stamp approval at the meeting of the National Credit Council next week and to come into effect on May 1, is likely to be accompanied by easier rules on the duration of credit agreements and on the size of down payments.

At present, the maximum duration is 21 months, except for cars, on which buyers get an extra three months. The initial deposit is set at a minimum 20 per cent of the purchase price.

Under the new system, retailers will have to display the rates offered, so as to give customers a proper guide by which to choose.

Moscow 'ready for China talks'

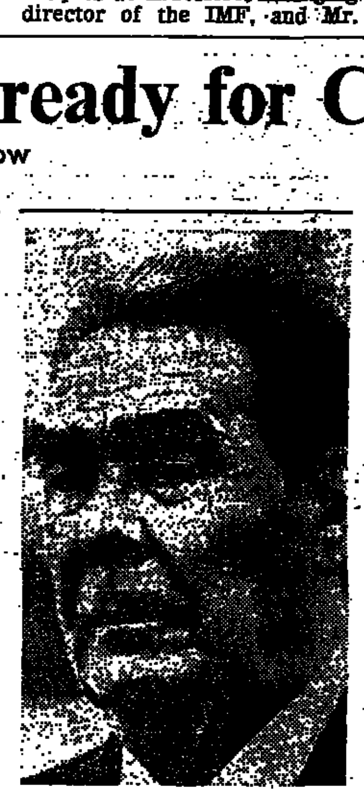
BY DAVID SATTER IN MOSCOW

THE SOVIET UNION has responded to an unusual Chinese offer to begin talks to improve relations by indicating its readiness to participate, and pressing the Chinese for their views on the subject and the aims of possible negotiations.

Mr. Andrei Gromyko, Soviet Foreign Minister, presented a Note to Mr. Wang Youping, the Chinese Ambassador, which said that a Soviet-Chinese declaration of principles would be a suitable base for improving relations.

The Note, published yesterday by Tass, the Soviet news agency, did not insist on this approach, however, and only said that after agreement on the subject and the aims of the negotiations, it would be possible to discuss their level and venue.

The Chinese offer to negotiate to improve relations and resolve outstanding problems was made on April 3 after the Chinese officially informed the Soviet Union that they would not renew the 30-year-old friendship treaty between the two countries when it expires next year.



Mr. Leonid Brezhnev.

Observers here could recall no previous Chinese public offer to negotiate on the wide range of problems between the two Communist powers.

In recent years, the Soviet Union has called, on several occasions for negotiations to improve relations. But the Chinese have insisted that mutual troop withdrawals along the Sino-Soviet frontier were a precondition for the holding of any such talks.

The Soviet Union and the Chinese usually hold annual trade negotiations and continuing talks about their border dispute, although the trade talks were not held this year, and there have been no discussions on the border situation since last autumn.

When China announced its intention not to renew the Soviet - Chinese Friendship Treaty, the Soviet Union said the Chinese could have avoided scrapping it by adjusting it to suit present conditions.

A Soviet Government statement issued a short time later said the Soviet Union held China fully responsible for terminating the treaty and would draw the appropriate conclusions.

Floods rise to critical level in W. Poland

By Leslie Colitt in Berlin

POLAND'S WORST floods in a generation are at a critical level in the western district of Gorzow, where the Notec River is nearly five feet above the emergency mark.

Flood waters in the worst-hit north-eastern district, however, have receded.

Some 175,000 acres of farmland remain flooded in the Ostroleka and Lonza districts out of the 2½m acres inundated a week ago.

Five thousand evacuated residents of the area have been able to return to their homes, but 71 villages are still submerged.

The floods have delayed spring planting until next month in large areas of Poland, and the outlook is for another poor harvest after three consecutive bad years for Polish farming.

The severe flooding also affected western parts of the Soviet Union, especially Byelo-Russia and the Ukraine, where the Bug and Pripet Rivers overflowed and forced the evacuation of much of the city of Brest and several other towns.

Danes protest over N-energy

BY HILARY BARNES IN COPENHAGEN

SEVERAL THOUSAND people took part in demonstrations against nuclear energy in 13 Danish towns yesterday as the Folketing (Parliament) debated the Government's energy policy.

The Government is in favour, in principle, of the introduction of atomic energy, but is not due to make any decision on the building of reactors until next year.

The accident at Three Mile Island, Harrisburg, has caused a public reaction against atomic energy.

In yesterday's debate, spokesmen for the two government parties, the Social Democrats and the Liberals, took markedly different points of view on atomic energy.

The Social Democratic spokesman said the party had yet to make up its mind whether the country should use atomic energy, while the Liberal spokesman emphasised the necessity of introducing atomic energy.

Mr. Arne Christiansen, Commerce and Energy Minister, also put forward the Bills which will give the go-ahead to the DKr 5.7bn (£518m) project to land and distribute natural gas from the Danish sector of the North Sea to about 600,000 households in the 1980s and 1990s.

At one time, the project was much criticised by independent economists, but after the oil shortage caused by events in Iran, the critics have ceased to be so active.

The gas project is expected to receive the approval of a large majority of the Folketing when the Bills are given their final reading within the next few weeks.

New tremors hit Yugoslavia

TITOGRAD — New tremors yesterday shook Yugoslavia's earthquake-devastated Adriatic coastal region for the third successive day, adding to the difficulties of relief parties working in pouring rain.

An estimated 80,000 people, homeless or fearing to return to damaged houses, have camped for three days without water or electricity in army tents.

Road and rail links were cut by the earthquake which ravaged the region on Sunday, killing about 200 people and injuring more than 1,000, according to official estimates. Reuter

HARRISBURG THROWS CLOUD OVER BONN-BRASILIA ACCORD

Nuclear deal runs up against Brazil's new freedoms

BY DIANA SMITH IN RIO DE JANEIRO

UNTIL RECENTLY the most trenchant criticism of Brazil's ambitions to acquire sophisticated nuclear technology came from outside the country—notably from the Carter Administration determined to crusade against the spread of techniques which could be converted to military use.

In particular, the Carter Administration took up arms against the proposed sale of hardware and know-how sufficient to enable Brazil to master the complete uranium nuclear cycle from enrichment to reprocessing by Kraftwerk Union, West Germany's leading nuclear concern. The country's authoritarian government permitted little domestic criticism.

Now, just when Germany and Brazil are re-affirming their determination to go ahead with the deal, criticism has begun to make itself heard within Brazil. The military government has embarked on a process of political liberalisation including removing Press censuring and one of the first fruits of this is a growing articulation within the country of doubts about the need to take up the nuclear option.

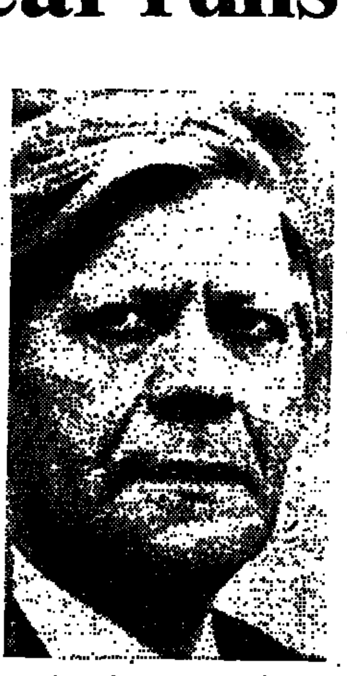
The Three Mile Island nuclear reactor accident fell conveniently for Brazil's anti-nuclear lobby. It happened on the eve of an official visit by the West German Chancellor, Herr Helmut Schmidt.

Herr Schmidt's Government, had in 1975, backed the agreement selling to Brazil equipment and know-how for eight reactors from Kraftwerk Union.

The deal, unofficially estimated to be worth $13bn, is West Germany's largest single export order.

In 1975 when Brazil's military "hawks" were known to have expansionist aspirations in Latin America full mastery of the uranium cycle seemed a useful psychological asset, giving Brazil bargaining power more in line with its 5.5m square miles of territory, and putting it closer to equality with its rival, Argentina. Furthermore, there were signs that Brazil was tired of nestling under the North American security umbrella.

Argentina's nuclear programme was several years ahead of Brazil's, a fact that made the military uncomfortable. The discomfort persists: Argentina is still materially ahead. It will be six or seven years at least before Brazil absorbs technology for the full uranium cycle.



Herr Helmut Schmidt

Meanwhile, military fascination with the atom—common to many Third World authoritarian governments—was not shared by Brazil's hydroelectric experts.

Their arguments, muted at first, louder when Press restrictions eased after 1975, were based on technical and economic grounds. They maintained that, although the heavily-industrialised south might risk an electricity shortfall by the end of the century, it made little sense to spend $10bn or more on 10,000 nuclear megawatts when it would be possible to harness local rivers, or bring electricity to the south, if necessary, through link-ups with the north and north-east.

Moreover, it was argued that

Brazil's military Government has embarked on a process of political liberalisation. But one of the first fruits is a growing expression of doubt within the country about the need for an expansive nuclear power programme.

while Brazil was grappling with a swelling current accounts deficit after the oil crisis, it was hardly appropriate to import expensive nuclear equipment and know-how when domestic hydroelectric capacity was there in plenty.

The growing army of critics, including local nuclear researchers offended at being overlooked by the Government, maintained that the nuclear programme was another Brazilian "megalo-project" of the sort dreamed up by ambitious official planners to prove Brazil was "biggest" in everything, regardless of cost.

Inevitably, criticism of the German-Brazilian nuclear pact was not confined to home. After taking office, the Carter Administration made efforts, first peremptory then more subtle to dissuade West Germany and Brazil from dealing in know-how for the full cycle.

President Carter was not visibly swayed by official Brazilian arguments that the Government was committed to obeying all International Atomic Energy Agency safeguards, and was a supporter of non-proliferation and peaceful use of the atom. United States pressure continued. Currently, the Administration is suggesting that Brazil accept its assistance with thorium research. The thorium cycle cannot be used to manufacture nuclear weapons.

Brazil began to shift away from its formal attitude of co-operation towards the U.S. in the early 1970s when large-scale European and Japanese investment took place. The 1973 oil crisis hastened the quest for new partners and clients.

Gen. Joao Figueiredo

The breach widened when Mr. Carter included Brazil on his list of major violators of human rights, giving it the excuse to lose its temper in public and suspend the long-standing military agreement with the U.S.

The commercial potential of Brazil's nuclear programme has tended to be overlooked in the heated debate over costs and the use of acquired know-how.

This potential was spelled out this week by Sr. Paulo Nogueira Baptista, President of the State-run nuclear agency, Nuclebras.

Sr. Baptista stated that Nuclep, the $250m unit which will eventually produce home-made nuclear reactors and heavy equipment, had considerable export possibilities. Moreover, he said, once Brazil acquired uranium enrichment technology and put it into production, there would be ample export opportunities in this field.

Meanwhile, the onus of whether Brazil remains fully committed in coming decades to peaceful use of the nuclear cycle rests partly on Argentina.

Recent official Argentinian boasts that the country could soon manufacture nuclear weapons are known to have caused shudders in Brazilian military and Government circles. Carefully diplomatic attitudes are maintained in public, since relations are delicate: Brazil and Argentina are involved in awkward negotiations over hydro-electric use of the Parana River, where Brazil and Paraguay are already building the gigantic Itaipu Dam and, downstream, Argentina aspires to build its Corpus Dam. Brazilian officialdom is patently anxious to say and do nothing that could give the unpredictable Argentinians an excuse to break off talks.

Mutual official mistrust has tended to increase in direct proportion to the degree of military dictatorship prevalent in either Brazil or Argentina.

With Brazil inching its way towards democracy and a diminishing military role (in public, at least) there is less tub-thumping on this side of the frontier.

The combination of a pugnacious Press, a new contingent of Congressmen patently eager for a strong voice in domestic affairs, and the promise of new political parties, amnesty for political dissidents and direct elections for State Governors in the next few years gives new possibilities to the nuclear debate, already strengthened

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25% of electorate cast vote on first day of Rhodesia poll

BY TONY HAWKINS IN SALISBURY

THREE QUARTERS of a million voted on the first day of Rhodesia's one-man-one-vote poll on Tuesday according to official figures released yesterday.

These show that 735,000 people—25 per cent of the estimated 2.95m. voters—went to the polls on the first day of the five-day elections. Initial indications yesterday suggested that voting had slowed down but at polling stations around the country there were reports of a continuing steady turnout.

Some election officials were confidently predicting that by last night there would have been a 40 per cent turnout and that the 50 per cent figure will be reached today, the third day of the poll.

On present trends, a turnout in excess of 60 per cent now looks increasingly probable. Political observers here believe that this must strengthen Salisbury's case for early recognition by the major Western powers and lifting of economic sanctions.

But it is acknowledged that at least one more attempt to convene an all-party conference involving the new majority rule Government in Rhodesia to be established next month and the external guerrilla alliance of Mr. Joshua Nkomo and Mr. Robert Mugabe is likely.

However, if as seems highly probable, Bishop Muzorewa's United African National Council, wins a sweeping victory this week, there may well be a marked reluctance on the bishop's part to agree to new talks unless this is felt to be necessary in order to secure Western recognition and the abolition of sanctions.

Officials here are confident that international observers will report favourably on the electoral process itself. The results for the 72 black common roll seats will be announced next week and all results should be to hand by Wednesday, April 25.

Split among Iran's ayatollahs

BY OUR FOREIGN STAFF

THE CONFLICT between Ayatollah Khomeini, Iran's spiritual and political leader and his main and more moderate rival, Ayatollah Taleqani, was accentuated yesterday by processions in support of both men, and the announcement that the two were to meet.

A convoy of about 60 army vehicles, bedecked with flowers, drove through Tehran carrying pictures of Ayatollah Khomeini and slogans of support for an Islamic republic. Although nominally part of the hastily-called "Army Day," it was seen as a move to give him support in limiting powers of the local Islamic revolutionary committees.

The growth of the independent power of the revolutionary committees caused the rift between the ayatollahs. A taped message from Ayatollah Taleqani broadcast yesterday on Tehran radio said he would return to Tehran soon and asked his supporters to stop demonstrations on his behalf.

Meanwhile a rare public statement carried on the radio from the Islamic Revolutionary Council, a body believed to wield the real power in the country accused Ayatollah Taleqani of worsening the crisis by leaving his Tehran office and home after his two sons and a daughter-in-law had been arrested

In this unusual public criticism between clergymen, there was also a warning that anti revolutionary elements would be delt with when Ayatollah Taleqani returned. A fuller version of the statement published in newspapers called on him to come out of hiding, saying his absence allowed opportunists to exploit a very sensitive situation.

Potential for clashes between the rival and disparate political factions remains. The Islamic guerrillas, the Mujahhdin, called for another pro-Taleqani demonstration in Tehran yesterday afternoon.

AP adds: Revolutionary Islamic courts in Tehran and the provinces yesterday executed seven more people accused of killing innocent persons, according to the State radio.

Oil for Thailand

BANGKOK — Thailand is expected to convert its crude oil purchase contract between Saudi Arabia and a private firm in Thailand to a government-to-government basis following an allegation that the company had "rerouted" part of the oil to Singapore, Commerce Ministry officials said yesterday.

Deputy Prime Minister Sunthorn Hongladarom said that Saudi Arabia had expressed a desire to see that all the crude oil in the contract signed with the private firm be delivered to Thailand.

He was believed to be referring to the Bangkok-based Summit Industrial Corporation (Panama) which has alleged to have sold part of a shipment to Singapore. A spokesman for Summit said yesterday that the crude oil shipment from Saudi Arabia was never intended to be entirely for Thailand.
AP-DJ

Uganda massacre report

KAMPALA — Troops of ousted Ugandan dictator Idi Amin massacred civilians in East Uganda in reprisal for a reported military triumph by anti-Amin forces, refugees said yesterday.

Ugandans who fled into Kenya said retreating bands of Field Marshal Amin's soldiers slaughtered the District Commissioner at the border town of Tororo, while other citizens were dragged from their homes and shot.

"They are killing everybody in Tororo," said Miss Kabazoga, Tororo's assistant District Commissioner, who reached Kenya and telephoned Nairobi, the capital.

The latest victory by forces of the new transitional Uganda Government was reported by Akena P'ojok, its Minister of Power, who said on Tuesday night that they had secured the Owen Falls Dam which carries a road bridge across the Nile at Jinja.

Tanzanian soldiers thrust east from Kampala to take the dam and secure its power station, source of almost all Uganda's electricity, against the danger of sabotage, he said.

Kampala fell one week ago to an army of Tanzanian and retured Uganda exile troops who installed a new provisional government.

But the bulk of the army had last night still to reach Jinja, 50 miles east of Kampala, in its drive to gain control of the entire country.

One half of Uganda is not yet in the new government's hands ad is still roamed by disorderly gangs of pro-Amin soldiers.
Reuter.

Lebanese forces move into enclave

By Ihsan Hijazi in Beirut

A BATTALION of 500 Lebanese regular troops yesterday entered southern Lebanon and took up positions alongside the United Nations' peace-keeping force, but its deployment was not completed because the troops came under shelling from the Israeli-backed Christian militias.

An announcement said the battalion took up defensive positions pending contrats to be undertaken by the United Nations to complete the stationing.

No casualties were reported among the troops.

The troops, equipped with armoured personnel carriers and mortar guns, moved from Sidon southward to the port of Tyre at daybreak and linked up with the United Nations' force (UNIFIL). Tyre is about 35 miles south of Beirut on the Mediterranean coast.

From there the troops headed eastward and entered the zone controlled by UNIFIL to carry out a declared mission of extending Lebanese sovereignty to the southern region.

Israel, under American pressure, dropped its objections to the deployment. But its allies, the Christian militias, opposed the move strongly and their leader, Major Saad Haddad, vowed to stop the deployment and proclaim an independent state in his enclave.

The enclave is a nine-mile-wide strip stretching along the Israeli border

Dr. Selim al Hoss, the Prime Minister, who went to Damascus yesterday for talks with President Hafez Assad and other Syrian leaders, said the Lebanese troops would not be deterred by the Israeli-backed elements in the south.

U.S. moves to bolster treaty

By Roger Matthews in Cairo

THE UNITED STATES is determined to strengthen the Egyptian-Israeli peace treaty by increasing economic stability in the region, Mr. Robert Strauss, President Carter's special trade representative said here yesterday.

He is heading a 28-strong delegation of officials and business leaders who are seeking to identify attractive areas for private investment in Egypt. Mr. Strauss said the future for increased U.S. investment was excellent, but emphasised that he was not there to solve problems, but to define them.

INDO CHINA BORDER CONFLICT

Hanoi talks peace, prepares for war

Hanoi in the past few weeks has stepped up its campaign to unify the whole of Indochina. Meanwhile it has raised the strength of its regular forces from 600,000 to one million, with 100,000 estimated to have been moved close to the Chinese border. Nayan Chanda, recently in Vientiane, reports

IN INDOCHINA'S Communist dialectics peace is war. As the Vietnamese and Chinese negotiators sit across the negotiating table in Hanoi to discuss a formula for peace, preparations are afoot for another round of fighting. In fact, while the peace talks got off to a shaky start last week several Vietnamese divisions were engaged in large-scale sweep operations against Peking-backed guerrillas in western Kampuchea (Cambodia).

Hanoi, which for years successfully followed a policy of "talk, talk, fight, fight" against the Americans, gave a go-ahead for peace-talks with China on April 4 after meticulous preparations for a resumption of conflict if the talks failed.

When the Chinese advanced into Vietnam in February they had to face only the regional forces and militia. Four regular Vietnamese divisions chose to stay near the capital, Hanoi, and a large part of the Vietnamese air force was engaged in Kampuchea.

But since the end of the Chinese campaign, Hanoi, thanks to its general mobilisation order, has brought the strength of a regular army from 600,000 to one million. Observers estimate that about 100,000 of these troops have now been moved close to the Chinese border where they are engaged in building fortifications, digging tank traps and fox-holes, while the American-made F-5 and A-37 fighter bombers have been brought up from the South to strengthen the Vietnamese Air Force in the North. New anti-aircraft batteries are also being installed.

A steady stream of Soviet ships have been unloading at Danang and Haiphong from where Soviet transport planes are ferrying them to airports in Hanoi and Vientiane. The assumption appears to be the conviction of the Vietnamese that the Chinese attack in February was only the first of many.

In a key article, Vo Nguyen Giap, Vietnam's Defence Minister, recently argued that in view of the long-term threat from Peking, military preparations had to be intensified so that Vietnam could meet it from a "position of strength."

Although the cautious Soviet reaction to the Chinese attack in February disappointed Hanoi, Moscow has since moved in a big way to arm and equip Vietnam. The price seems to have been the Vietnamese permission to Soviet navy ships to drop anchor at Danang and Cam Ranh Bay. Although there is no indication yet that Cam Ranh Bay has been prepared for use as a base, the arrival there of the first Soviet vessels has put Peking on notice.

While China has withdrawn its troops from Vietnam, very few have returned to barracks. Western military analysts monitoring developments in the Sino-Vietnamese border say that some units from Kunming and Canton military regions have done so, but some 400,000 troops drawn from four military regions are still near the border.

All the 700 Chinese aircraft and equipment assembled near Vietnam's border are still there. Peking also has strengthened its air force and missile units on Hainan Island and brought 30 combat vessels to defend the Paracel Islands (claimed by Hanoi) in case of a Vietnamese attack.

In a move designed to strengthen the Vietnamese position prior to their negotiations with the Chinese, Hanoi in the past few weeks stepped up its campaign to unify the whole of Indochina under its leadership.

Despite its close ties with Vietnam, Laos succeeded in maintaining neutrality of sorts in the Vietnam-Kampuchea conflict and cordial relations with China. But the fall of the Pol Pot regime and the Chinese invasion of Vietnam seriously reduced the margin of manoeuvre available to Laos. Amid a chorus of condemnation from Moscow and Hanoi of last months Chinese "threat" to Laos, that country was finally nudged into an overt anti-Chinese position.

Western analysts found no evidence of Chinese preparations to invade Laos nor did the Laotians take the "threat" seriously. But the affair helped to reduce Chinese presence in the country — 600 Chinese workers and engineers were ordered out and some Chinese Embassy staff left voluntarily.

President Souphanouvong of Laos visited Phnom Penh and signed an agreement on technical-scientific co-operation in "all fields" which in a way sealed a de facto Indochinese alliance. Similar agreements—called 25-year friendship treaties—were signed between Laos and Vietnam in July 1977 and between Vietnam and Kampuchea in February, shortly after the Chinese attack on Vietnam.

The treaties have provided the legal framework for Vietnamese troops to operate in Laos—mainly building roads and suppressing anti-Communist insurgency—and in Kampuchea.

But the recent Lao-Kampuchean agreement does not include any explicit clause of security co-operation. The joint communique pledged wholehearted mutual help in "construction and defence." Sources in Vientiane said that some units of Pathet Lao soldiers had been sent to Kampuchea to help suppress Pol Pot remnants in a symbolic show of solidarity.

Hanoi, which had till recently presented itself as "a bolt on China's door to South East Asia," now has all of Indochina to perform that task. A recent editorial in the Vietnamese Communist Party daily newspaper, Nhan Dan, said that South East Asia was now safe from Chinese expansionism because, in order to go south, "they must break through the Indochina bastion."

Late last month the Vietnamese Army launched a major operation in western Kampuchea to destroy the Khmer Rouge bases, cut off their supply line from Thailand and thus strengthen the "Indochina bastion." Seen from Hanoi, Pol Pot guerrillas causing insecurity and chaos to the newly installed Heng Samrin regime in Kampuchea and insurgent groups opposing its Pathet Lao ally are instruments of Peking.

Having ousted the Peking-backed Pol Pot regime from Phnom Penh, the Vietnamese are engaged in operations to wipe out all remaining traces of Chinese influence. There is no evidence yet of the Vietnamese claim that Pol Pot has fled to Thailand following the recent sweep.

Western intelligence sources in Bangkok say that Pol Pot and his associates, as well as Chinese advisers that stayed on with him after the fall of Phnom Penh, are being hard pressed. But few would agree that the Sino-Vietnamese tussle over Kampuchea was nearing its end.

Buffer zone proposed

BANGKOK — VIETNAM yesterday proposed the creation of a demilitarised zone on its border with China as negotiations between the two countries began in Hanoi.

The Vietnamese Vice-Foreign Minister, Mr. Phan Hien, who heads his country's delegation to the talks, also proposed that both sides should withdraw their military forces from three to five kilometers from the border line as it stood before the Chinese invasion of February 17 and that prisoners of war should be exchanged as soon as possible.

He claimed that Chinese troops still occupied more than 10 areas in Vietnam and that the Chinese were continuing to reinforce their forces at the border where he said the situation was "very tense."

Mr. Hien spoke of alleged atrocities and destruction by Chinese troops inside Vietnam and said a preliminary survey showed Peking's forces had destroyed four provincial hospitals, 21 district hospitals, 281 schools and many pagodas and historical sites.
AP

John Hoffman adds from Peking: China has accused Vietnam of continuing armed attacks on Chinese villages and frontier posts.

Intermittent Vietnamese artillery and rifle fire had been directed against several towns in China's Guangxi and Yunnan provinces in the past week, the New China News Agency said.

The newsagency listed nine incidents in which Vietnamese troops reportedly crossed the border, engaged Chinese soldiers and attacked Chinese civilians. They had also attempted to steal Chinese cattle.

Two Chinese had been killed and several wounded, said the reports. "The Vietnamese armed incursions drew resolute counter-blows from Chinese troops and civilians," said the news agency.

AMERICAN NEWS

U.S. motor workers' chief warns of wages showdown

BY JOHN WYLES IN NEW YORK

MR. DOUGLAS FRASER, the union chief who will be leading critical negotiations this summer with the three leading U.S. motor companies, yesterday warned the Government to "stay the hell away" from the industry's pay talks and claimed that the Administration's pay restraint policy had "self-destructed."

The vigour of Mr. Fraser's language in a speech to a United Auto Workers' (UAW) convention removed all ambiguity about the union's position on President Carter's anti-inflation policy. Significantly, the UAW president claimed that last week's agreement between the Teamsters Union and the road haulage industry "bent the hell" out of the Government's pay guidelines and that sharp increases in prices and corporate profits meant that "workers can see there isn't any equity or fairness in the programme."

This clear signal that the UAW will seek a settlement above the 22.5 per cent increase in pay and benefits over three years allowed by Government policy coincides with crucial moves in key rubber industry negotiations.

The United Rubber Workers (URW) executive will meet tonight to discuss selecting one of the big four tyre companies as a strike target should there be no agreement when the industry's contract expires at midnight on Saturday. Firestone Tire and Rubber is not a candidate because of prior agreement pulling the company out of the industry's mutual aid pact. In the past, strike-free companies have helped companies hit by industrial action to maintain deliveries to customers.

The URW arrangement with Firestone leaves B. F. Goodrich, Uniroyal and Goodyear as possible targets if the outline of an agreement is not in sight. Of the three, only Goodyear has so far made a formal offer. This was in line with Government policy and was rejected by the union which is urging the companies to show the same kind of flexibility as the road haulage employers who have costed their settlement with the Teamsters at 31.5 per cent.

Essentially, therefore, the URW wants the Government to bend its pay guidelines to accommodate a settlement as it did with the Teamsters. The attitude seems to be that if the Governmen wants then to claim a victory for its policy, that is its affair, but the union's priority is winning a package of pay and benefits worth more than 22.5 per cent.

If the Teamsters' talks are any guide, a hard-line interpretation by the Government of its guidelines is unlikely to be the main obstacle to a settlement. The deal which ended the haulage industry's 10-day shutdown indicated that the Administration's minimum aim is to achieve a smaller package in various industry-wide negotiations than was agreed in the preceding negotiations.

Thus it will be seeking less than the 40 per cent deal which ended a long shutdown of the rubber industry in 1976, but is unlikely to dig in over 22.5 per cent.

The Administration's stand may have changed even more radically by the time the motor industry's negotiations get under way in mid-July. Interestingly, however, Mr. Fraser indicated yesterday that the UAW may seek a contract which runs for less than the normal three years. But much would depend on the "amount of security we get for our active workers and retired people."

Current contracts with Ford, General Motors and Chrysler expire at midnight on September 14 and there has been no agreement for the last 12 years without a strike at one of the companies. The target this year is generally expected to be General Motors.

Island volcano in new eruption

LA SOUFRIERE, the volcano that has forced about 15,000 people on the island of St. Vincent to flee their homes, erupted again on Tuesday, sending columns of ash and sulphur fumes thousands of feet into the air, Associated Press reports.

Mr. Hudson Tannis, the Home Minister, said the eruption was about the same as on Friday and Saturday, "perhaps more intense." But there had been no casualties from the volcano's activity and the latest explosion did not threaten lives.

St. Vincent, in the Lesser Antilles of the Eastern Caribbean, is a self-governing British associated state. It is receiving emergency aid from the United States, Britain, Canada and other countries.

George Bush in bid for presidency

THE FORMER U.S. Ambassador and Republic Party leader, Mr. George Bush, is to announce his candidacy for the Republican presidential nomination in Washington on May 1, AP reports from Washington.

His government career includes time as director of the Central Intelligence Agency, U.S. Ambassador to the UN, and envoy to China. He is also a former national chairman of the Republican Party.

New marine chief

President Carter is to nominate General Robert Barrow, a three-war veteran, to become the 27th Commandant of the 187,000-member Marine Corps, AP reports from Washington. General Barrow is the holder of the Navy Cross and the Army Distinguished Service Cross for "extraordinary heroism" in the Korean and Vietnam wars.

Two Britons on trial

Two British businessmen have gone on trial in Chicago for a second time, accused of swindling U.S. clients by promising to tap Arab oil funds for loans totalling nearly £250m, Reuter reports. Mark Willies, 50, from Bristol, and Donald Redwood, 45, from London, were alleged to have pocketed more than £100,000 in advance fees without securing a single loan.

Amoco Cadiz ruling

A Federal judge in Chicago has cleared the way for lawsuits seeking £1bn in damages from the Standard Oil Company of Indiana and its subsidiaries over the large-scale spill from the wrecked tanker Amoco Cadiz along the French coast, Reuter reports.

Some 150 claimants, from the French Government to hoteliers and fishermen, can now go ahead with actions against the company.

CIA's Iran estimate rejected

BY DAVID BUCHAN IN WASHINGTON

THE U.S. will need "about a year" to restore its intelligence capability to verify whether the provisions of the proposed SALT arms agreement, Mr. Harold Brown, the Defence Secretary, has conceded.

The Defence chief's statement, issued late on Tuesday, was designed to soften the impact of an estimate made in closed hearing to the Senate but since leaked by Admiral Stansfield Turner, director of Central Intelligence, that the recent loss to the U.S. of two listening posts in Iran used to monitor Russian missile tests could not be made good for some five years.

Mr. Brown did not take issue with the CIA director's estimate, but argued that accelerated U.S. intelligence programmes — which include newer satellites and modernising U-2 spy aircraft — would suffice for the purposes of the planned SALT treaty.

He also pointed out that development of new missile types, which Washington and Moscow have yet to agree in the context of the treaty, could not be achieved overnight. Each such Soviet programme will require about 20 test flights over a period of years," he said.

If the Defence Secretary is right, the net effect on the U.S. of the closure of Iran intelligence posts may be minimal — but perhaps not for the reasons the Administration is giving.

Congressional leaders now warn that if a SALT pact is not reached within the next month or so, the Senate may not vote on it until 1980. Thus it might not come into effect until next year by which time, Mr. Brown claims, U.S. intelligence capabilities will be substantially repaired.

Delay in reaching an arms accord with Moscow carries two dangers for the Administration. First, it allows the anti-SALT lobby to pick holes in treaty provisions which have already been agreed and made public, without SALT's supporters being able to point to any Soviet concessions on the remaining issues.

Second, the Administration has picked up, via its London embassy, certain hostile remarks about SALT by Mrs. Margaret Thatcher, the British Conservative leader, and is concerned that the treaty might possibly become a side issue in the British election. The Administration will want to show the Senate that the treaty with Moscow has the solid backing of its West European allies.

Colombians 'killed in Venezuela'

BY KIM FUAD IN CARACAS

JUST over a month after taking office, Venezuela's Christian Democratic Government is facing seriously strained relations with neighbouring Colombia and its Arab associates in the Organisation of Petroleum Exporting Countries (OPEC).

Relations with Colombia, made tense by a long-standing border dispute and the ilegal entry of thousands of impoverished Colombians into prosperous Venezuela, flared up after Press claims that Veneguelan authorities had slaughtered hundreds of Colombians.

The Colombian charges of "genocide" have been picked up by congressmen in both countries, generating a full-scale row.

Ultra-nationalists in both countries have taken advantage of this situation to make sabre-rattling statements about Colombian claims to the strategic Gulf of Venezuela, the gateway to Venezuela's huge western oil-fields in Lake Maracaibo.

The matter has been under discussion for a decade and a new round of talks is scheduled shortly, but the issue has been clouded by a belief that the 20,000 sq km gulf may hold commercial oil deposits. This has whetted appetiites in Colombia which now imports Venezuelan oil.

Elsewhere, Venezuela, which has traditionally picked its way very carefully through the political thickets of Middle Eastern affairs as a founding member of OPEC, has now become entangled in controversy over the Egyptian-Israeli peace treaty. A public statement by President Luis Herrara Campins lauding the treaty on the day it was signed, just as Venezuela's OPEC partners jointly repudiated it, stunned Arab diplomats in Caracas who had expected a non-commital Venezuelan stand.

Diplomatic representatives of Saudi Arabia, Iraq, Libya and Syria in Venezuela later held a joint news conference and issued a statement condemning the treaty and detailing actions approved by the 22-nation Arab League at Baghdad, which included calling on other nations not to lend their support to the treaty.

PHILANTHROPY FEELS THE PINCH

Fewer dollars for good deeds

BY NANCY DUNNE IN WASHINGTON

IN THE U.S. philanthropy world the battle between the old established philanthropies, the more militant advocacy groups and the small neighbourhood organisations is now over a fund of ever-diminishing dollars.

Their problems start with the payroll deduction scheme, which allows employers to deduct a small charitable contribution averaging $50 a year from their workers' pay.

The major user of this very successful plan is United Way of America, the biggest umbrella fund raising organisation, which last year raised $1.3bn for its 2,000 local chapters, which distributed money to 37,000 affiliated agencies.

Americans probably still qualify as the world's most generous people. Despite billions of dollars spent on health, welfare and foreign aid grants, they gave an estimated $38bn to philanthropic causes last year, an 8 per cent increase over the previous year, but still short of the 9.1 per cent inflation rate.

U.S. fundraisers are feeling the pinch, for costs are rising dramatically and the pool of willing volunteers is shrinking as housewives go back to work. Philanthropic groups are thus jealously eyeing the payroll deduction scheme as a fund-raising tool.

The plan's great attraction is its cost effectiveness. Almost 90 per cent of all money raised by United Way goes directly to philanthropic spending. About 78 per cent raised by the major health agencies goes to the cause and other agencies, less established and less efficient, consume even more of their funds in costs.

United Way's affiliates are mainly service agencies — the Red Cross, the YMCA, the Girl and Boy Scouts — many of which deal with the middle class as well as the poor. Its critics attack United Way as a dull,

> **Charity organisations are no longer the province only of the middle class white volunteer worker. But as ethnic and community groups enter the field, they find that the cash available is shriking, and that much of it is staying at home.**

unimaginative representative of the conservative business establishment, dedicated to keeping the status quo.

Although its local chapters are largely autonomous, United Way almost always excludes any group involved in controversy or political activity. In Seattle, a group of city agencies lost nearly $50,000 in funding because of their involvement in a lawsuit to stop construction of a highway and their opposition to a utility company raising its rates. Planned Parenthood in Gary, Indiana, lost its United Way membership when it decided to offer abortion services.

United Way officials feel they must avoid controversy if they are to continue to draw in wide community support. Mr. Steve Delfin, United Way's national director of public relations said: "It is a question of having finite resources and spending them in the best way possible."

Mr. Delfin says the traditional view of philanthropy as charity is changing. "It's not just for low income people. Philanthropy can serve those in the middle class who run into trouble as well as the poor."

Some United Way agencies, like the Salvation Army, need the umbrella group more than ever as Americans who automatically gave away old furniture and used clothes stop doing so.

While any group can apply for membership in a local United Way, many small agencies feel they are subjected to "an agonising long-term process in which they are not told 'no' or 'yes,'" according to Mr. Jim Abernathy of the National Committee for Responsive Philanthropy. He said that the establishment supported United Way "to reduce the number of militant organisations."

Mr. Delfin says that all philanthropic groups have the right to exist but for membership in the United Way, they must follow strict accounting standards, which many of the new, inexperienced groups cannot meet, although they are offered technical assistance and managerial training.

United Way critics say it is reluctant to fund organisations run by minorities which mostly need help. United Way says that $335m goes to the black community but admits that only $45m of that goes through agencies actually run by blacks.

In Santa Clara County, California, a group of minority agencies has begun a boycott of the local United Way after charging discrimination in its distribution of donations. Their complaint was upheld by the local human relations commission.

The United Way board of directors is also criticised because, like other large philanthropic organisations, is dominated by wealthy businessmen. One official of United Way has said the poor and minorities are not proportionately represented because they haven't the background or expertise to deal with problems in fund-raising.

But the most crucial issue dividing the philanthropy business is the critics' insistence that the umbrella group actively maintains a monopoly of the payroll deduction scheme.

Speaking on the nationally televised Macneil-Lehrer Report, Mr. Gobert Bothwell, another United Way critic, charged that 87 per cent of those corporations which permit United Way to solicit employees permit no other charities to solicit in the workplace.

WORLD TRADE NEWS

JAPAN'S BALANCE OF PAYMENTS

Capital outflow helps soften surplus

BY RICHARD C. HANSON IN TOKYO

JAPAN'S current account surplus is showing some signs of moderation, but the latest figures reveal a continued trend towards large trade surpluses with the European Community.

A preliminary report by the Ministry of Finance shows that the March current account, after adjustment for seasonal factors, was in deficit by $192m (£93m), the first adjusted deficit in more than three years. Before adjustment the surplus was $590m, compared with $290m in February, leaving for the fiscal year a $12bn surplus, down from the record $13.9bn in fiscal 1977.

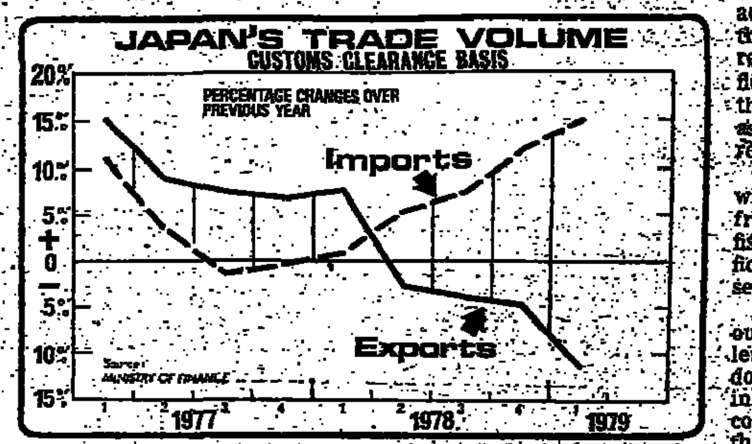
Exports (fob) in March rose 7 per cent from a year ago, while imports (fob) jumped 40 per cent, but the trade account surplus expanded to $1.51bn from $1.1bn in February. For the year trade edged into a record high surplus of $20.6bn from $20.3bn.

Japan's March trade balance with the EEC showed the second largest surplus on record at $576m, up from $474m the previous month and $427m last year. The record was in July 1977 at $562m.

Despite a 43.9 per cent increase in imports (cif) from the EC during the whole year, compared with a 30 per cent rise in exports (fob) to the EC, the surplus for the year hit $5.3bn versus $4.6bn a year earlier.

The surplus with the EEC was increased by deliveries of cars, mostly to West Germany, computers and video tape recorders and ships, mainly to the UK.

Customs clearance figures, on the other hand, showed some moderation in the surplus with Japan is running with the U.S. For the month, the surplus fell to $586m from more than $1bn last year, but was up slightly from $549m in February. For the year Japan still had a record $8.9bn surplus with the U.S., up from $8.8bn.



The appreciation of the yen during the year cut into the volume of Japanese exports, down 5.6 per cent, while import volume rose 9.9 per cent. Exports of steel, motor vehicles, ships, televisions and radios all declined in both volume and yen value terms.

On the import side, oil shipments were down 0.5 per cent in volume and accounted for only 28.3 per cent of all imports against 33 per cent the prior year.

Japan's overall international balance of payments account for the year — including the capital accounts — fell into deficit for the first time since 1975 as a result of a record $16.2bn outflow of long-term capital, which the Government had encouraged as a means of offsetting the current account surplus.

The overall payments deficit was $2.3bn, a sharp turnaround from the $12.1bn surplus in fiscal 1977. In March the deficit was $2.2bn, the sixth consecutive monthly deficit.

The massive long-term capital outflow reflected an upsurge in lending abroad and more than doubled Japanese investment in foreign securities. This was combined with a sharp fall in the inflow of foreign funds through portfolio investments.

During the fiscal year, a Government "emergency import" programme brought in $3.1bn in imports, the largest portion being in the form of aircraft for leasing overseas. That scheme will be dropped this year.

S. Korea to cool export drive

SEOUL — Faced with rising inflation, South Korea has decided to reduce its export-oriented heavy industries in favour of light industries in order to make available more consumer goods.

Mr. Shin Hyon-Hwack, Deputy Premier and Economic Planning Minister, in announcing the decision, said the Government was ready even to curtail export drives and economic growth.

The policy shift was seen as a major setback to President Park Chung-Hee's goal of making South Korea a key industrialised nation by the mid-1980s.

The nation's consumer prices rose 6.2 per cent in the first quarter of this year and, fuelled by added oil and other costs, have been forecast to soar 20 per cent by year-end, compared with last year's 14.4 per cent.

Mr. Shin predicted that the domestic inflation rate could be held to 15 or 16 per cent this year as a result of the latest Government action, coupled with a tight money policy, curbs on speculative investment in real estate, re-adjustment of bank interest rates and further liberalisation of imports.

He said that despite the new measures South Korea is likely to attain its real economic growth target rate of 9 per cent and export goal of $15.5bn (£7.3bn) this year.

However, observers are questioning how the Government could expect its anti-inflation measures to be effective without lowering its targets, which are thought to be too high to check the current inflation.

In addition, the Government has yet to clarify its wage control guidelines, and its military spending remains a major burden on the economy with 34 per cent of the total budget expenditure of $9.4bn allocated to military spending.

AP-DJ

Toyota considers Spanish site

BY ROBERT GRAHAM IN MADRID

TOYOTA, JAPAN'S leading car producer, has made preliminary soundings about the possibility of investing in Spain. This is the first time that a Japanese manufacturer has shown an interest in Spain as a site for a car venture.

The news of Toyota's interest has been given considerable publicity here. However, a highly placed Ministry of Industry source told the Financial Times that Toyota's interest at this stage should be treated as routine.

The Toyota approach has apparently been prompted by the recent Government changes in existing restrictive legislation on foreign motor manufacturing ventures in Spain. The measures announced two weeks ago are designed to liberalise the sector by 1983. The main measures concerned a cut in the percentage of locally-produced parts foreign made cars in Spain should contain plus an easing on current restrictions on imports of completed cars.

Japanese goods in Spain are heavily discriminated against. Some officials maintain that it would pose difficulties for Spain if it were now to accept a Japanese investment in the motor sector. The officials point out that Spain would have to bear in mind Community policy regarding Japan, as an investment model now works not operate before the signing of a treaty of accession.

U.S. brewery to bottle W. German beer

BY LESLIE COLITT IN BERLIN

AMERICAN BEER drinkers will soon be offered a change from bubbly, thin-tasting domestic beer, when America's largest brewer, Anheuser-Busch begins to test market Bavarian beer bottled in the U.S. next month.

The American brewery is importing beer from the Wuerzburger Hofbraeu in bulk, and will try it out on the residents of the Boston, Hartford, and Atlanta areas on the U.S. eastern seaboard. The results will determine whether the leading U.S. brewery is going to challenge the Miller Brewing Company, which is number two, and which offers its own West German beer, Löwenbräu. The Löwenbräu sold by Miller, however, is produced in America under licence from the Munich brewery.

Many Americans claim they cannot detect any difference between the Munich beer brewed in the U.S. and ordinary American beer, and Bavarian brewers say this is because there is none. Anheuser-Busch has accused Miller of deception in selling an American beer with a West German label, but the naturalised Löwenbräu has been a brisk seller.

The leading foreign-brewed beer in the U.S. is Heineken, followed by Canadian and West German beers. West Germans only managed to export 38m litres of beer to the U.S. in 1977, an amount that has not risen in years.

The marketing of Würzburger Hofbräu by the giant American brewery, which has enormous advertising resources, could be a boon to the Bavarians who, along with other West German breweries, are facing cutthroat competition at home and beer consumption in West Germany which is declining.

Bacardi's American lead

BY KEITH HUNT IN HAMILTON, BERMUDA

FOR THE FIRST time in its history, Bacardi International, makers of the famous light rum, has emerged as one of the top marketers of spirits in the U.S.

With sales of 6.2m cases (74.4m bottles) of the spirit in the U.S. last year, Bacardi now believes it is on a par with Crown-7 bourbon whisky, made by the Seagram's distilling interests and the top U.S. seller for the past 20 years. Close behind was Smirnoff's vodka, with 6.15m cases. Seagram's V.O. Canadian rye whisky was fourth with 3.8m cases, and J and B was the top-selling Scotch whisky with 2.75m cases sold in the U.S.

Sr. Juan Prado, marketing vice-president for the Bermuda-based concern, said Bacardi has been able to capitalise on the current taste for "light" spirits in the U.S., and he expressed the belief that the company would emerge as the top U.S. seller in 1979.

Bacardi's U.S. business is done under licence by an American firm called Bacardi Imports. It owns and operates distilleries throughout the Caribbean and Central America. Hiram Walker owns about 10 per cent of Bacardi's equity, which it purchased last year from the Bosch family.

EEC may ease terms for Lisbon

By Giles Merritt in Brussels

THE EUROPEAN COMMISSION has put forward a series of proposals that would have the effect of cushioning Portugal's trading relationships with the Common Market.

The revised trade terms would come into effect at the beginning of next year and run until the end of 1982. They would help to ease Portugal's economic problems while Lisbon conducts its negotiations on accession to the EEC.

At the instigation of the Portuguese Government, the Brussels Commission has proposed to the EEC Council of Ministers a protocol that would amend the 1972 agreement between Portugal and the Community. In accepting the Portuguese case, the Commission is arguing that Portugal's trade deficit, together with the steps already taken in cutting tariffs on EEC trade, combine to make the new concessions acceptable.

The protocol has the effect of allowing Portugal a pause in its tariff-cutting programme, with particular reference to such items as motor vehicle components and parts, oil-based products, photographic material, textiles, machine tools, paper and watches.

The Portuguese will also be allowed to adopt measures to protect their new industries.

On the EEC side, Portugal is to be granted an enlarged quota for certain wines and spirits, while paper and packaging items will be allowed in on a tariff-free basis. In the agricultural sector, Portugal will receive improved terms for its important tinned fish products, while onions, almonds and certain types of small oranges will also benefit.

Fokker in A-310 proposal

By Michael Donne,

THE DUTCH Government is now considering a contribution by Fokker to the European A-310 Airbus manufacturing programme.

Fokker already makes parts of the wings for the existing A-300 Airbus, but is not yet contributing to the new smaller version, the A-310, for which several European airlines have made commitments for 90 aircraft.

Fokker is not a full partner in Airbus Industrie, but is an associate, working on subcontracts to Airbus Industrie.

Tariff cuts expected to boost world trade

BY BRIJ KHINDARIA IN GENEVA

THE AVERAGE across-the-board tariff cuts agreed in the Tokyo Round represent a 33 to 38 per cent reduction from the tariff levels reached in 1971 at the end of the previous round of multilateral trade negotiations, the Kennedy Round, according to preliminary GATT estimates.

These reductions, which will be implemented in eight annual stages, are expected to boost the volume of world trade in a wide variety of industrial and agricultural products, but are unlikely to have much impact on retail prices. In theory retail prices of those products which have been subjected to the largest tariff cuts could fall slightly. But in practice this is unlikely as this would only occur if there was no rise in production costs over the eight-year period.

The average tariff reduction is about 2 per cent below the cuts implemented following the Kennedy Round trade accords of 1967. There is no estimate so far of the volume of trade which will be affected, but using 1976 figures the value of trade affected by the Tokyo Round cuts would be more than $110bn (£53bn).

The largest cuts are in non-electrical machinery, wood products, chemicals and transport equipment, while less than average cuts are being made in the textiles and leather goods sectors.

The tariff cuts will begin on January 1, 1980. The European Community has reserved the right to review the cuts after five years, to decide whether further reductions are feasible under prevailing economic conditions.

The agreed reductions are specified in detailed records which are currently being deposited with the GATT Secretariat by participants of the Tokyo Round. The cuts have been negotiated bilaterally, but their benefits will extend to all Tokyo Round countries under GATT's Most Favoured Nation clause.

Concessions have so far been agreed by Austria, Canada, the Common Market, Finland, Japan, New Zealand, Norway, Sweden, Switzerland and the U.S.

Tariff cuts aimed at reducing the highest tariffs and closing the gap between high and low tariff rates, have been agreed on a number of food products, affecting about 25 per cent of all agricultural imports. The cuts in tariffs on finished and semi-finished goods will be greater than those on raw materials.

The largest reductions will be made in trade among developed countries. The tariff on goods imported by developed countries from developing countries will be reduced by about 25 per cent.

This is because many more items bought from developing countries are considered to be trade sensitive items, such as clothing and textiles, and because tariff levels are already low for other goods as a result of privileges given by the Common Market and the U.S. under Generalised Preference Schemes.

Average tariff cuts affecting industrial imports among developed countries, excluding petroleum, will reach about 38 per cent after eight years, including about 35 per cent for raw materials, and semi-manufactured materials, and 39 per cent for finished manufactured goods.

The largest cuts, which will reach 67 per cent, will apply to fuel imports, excluding petroleum. Average cuts on textile and clothing will be about 20 per cent and on leather, rubber footwear and travel goods will be about 16 per cent. Average reductions on metals will be 30 per cent, while those on chemicals will be 39 per cent. Reductions on agricultural goods will average at about 32 per cent.

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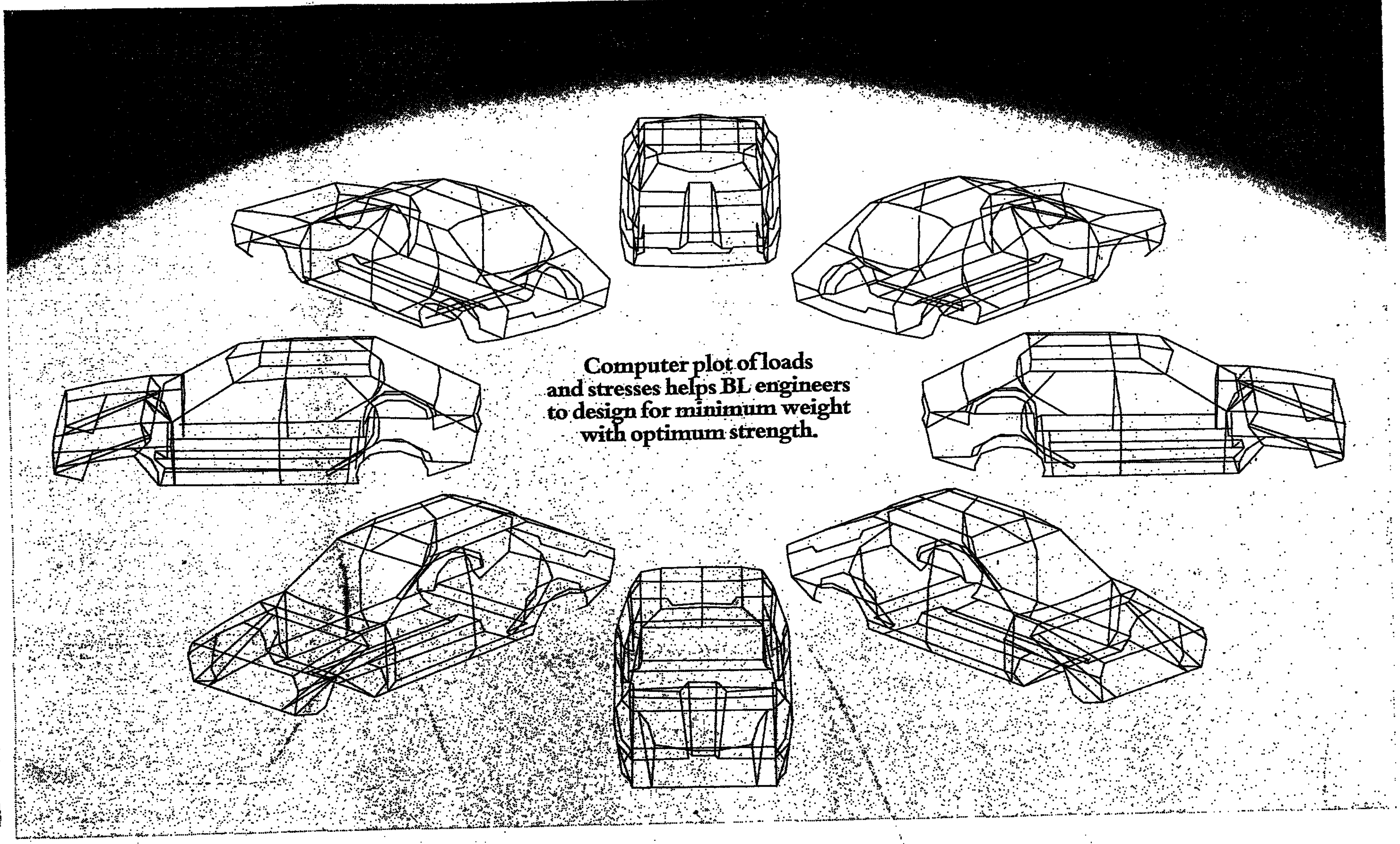

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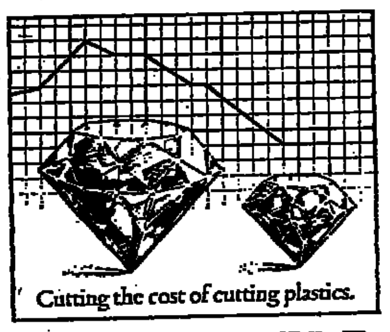
Cutting the cost of cutting plastics.

Certainly not when they're diamond tools used to cut through plastics and other non-ferrous materials at high speed. So, in a joint venture with Birmingham University, BL Engineers have developed a new range of polycrystalline cutting tools.

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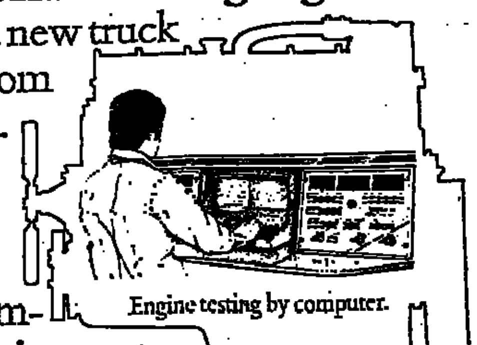
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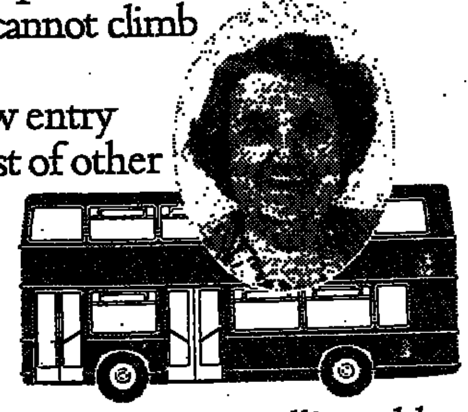
Our new Titan double decker bus is a shining example of this technology.

Our engineers found that literally millions of elderly people don't use today's buses, simply because they cannot climb up into them.



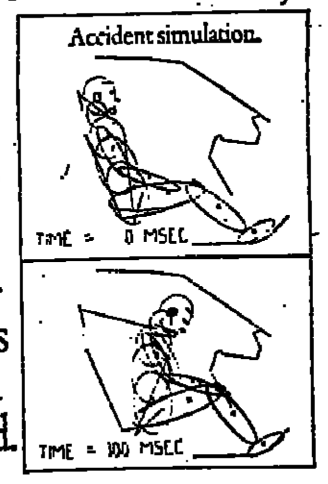
The Titan's low entry step, along with a host of other "human factors" features have just won an important ergonomics award for BL engineers.

And could give an extra two million old people the chance to go by bus.

60–0 mph in 100 milliseconds.

Nobody likes car crashes. But they happen. And it's important to know what happens to passengers in an accident. So we crash all our new cars hundreds of times even before they leave the drawing board.

Accident simulation.



This isn't as expensive as it sounds. Because we simulate the accidents on our computer, as part of our computer aided design programme. And in many aspects of this extremely advanced technology, we lead the world.

BL Limited

ANTHONY GROSS ASSOCIATES

UK NEWS

Council refuses to meet local ombudsman

BY JAMES McDONALD

Exchanges between a local ombudsman and a local authority led to a refusal by the council to meet him.

On December 14 last year Mr. Pack Cook—local ombudsman for the North and East Midlands of England, issued a report about a complaint by a council house tenant that South Kesteven District Council, Lincolnshire, had delayed investigating reported leakage through a window and had refused compensation for ensuing damage.

He found maladministration in the delay. The council decided merely to note his report and take no further action.

The ombudsman was not satisfied and was, in law, compelled to issue a second report, published today by the Commission for Local Administration, in England, in which he calls on the council to compensate the complainant.

Mr. Cook voices his concern that the council has refused to meet him for informal discussions intended to lead to a satisfactory outcome.

"This is my fifth year in office, and on no previous occasion has such a meeting been declined."

"This negative attitude fails to take account of Parliament's intention that my colleagues and I should assist local government by fair and objective examination of complaints; and that our rulings should be accepted by them in like spirit.

"This involves an amount of money trifling to all except the complainant. What matters is the principle — the complainant is entitled to justice from the council and may job, which aims to strengthen and not undermine local democracy, cannot be fully effective if those responsible to the electorate refuse to meet with me."

Mr. Cook says that inadequacy of the council's records made his investigation difficult. The council did little, if anything for seven months following the request for repair, but later made every effort to identify the trouble, which cause damage to decorations and a carpet.

"The chief executive of the council, when writing to me on March 1, 1979, said: "The Committee remain totally convinced that the problems which have been encountered are the direct result of condensation rather than any fault with the window."

Mr. Cann, chief executive of council, said last night: The ombudsman's second report will go before the housing committe for consideration—probably in June or July, after the elections."

Tikkoo sells giant oil carriers

By Ian Hargreaves, Shipping Correspondent

MR. RAVI TIKKOO, the shipowner, is selling his fleet of ultra-large crude carriers and switching his attention to smaller vessels for the U.S. oil trade.

Globtik Tankers, which has bases in London and New York, said yesterday that the 484,000 deadweight-ton sister-ships Globtik Tokyo and Globtik London were in the process of being sold to Liberian interests as they completed voyages to Japan.

Chartered

The deal is thought to involve Tokyo Tankers, which has the vessels on charter until 1993.

Globtik has already placed orders for four 80,000-dwt tankers in Japan and apparently wants to release cash to finance building two more ships in this class. Built to the highest safety standards, they are designed for transhipping oil into U.S. ports.

The first of the new ships is due for delivery at the end of June. It will sail under the British flag.

Options

Globtik said yesterday that the disengagement from large tankers was not necessarily permanent. The company still has options to build up to three 600,000-dwt nuclear-powered tankers at an American yard.

In the last six months orders have been placed for 25 80,000-dwt tankers, raising fears that this profitable sector of the tanker industry may soon face the problems of overcapacity typical in other tanker trades.

British shipyards may win £60m bulk carrier order

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

EUROCANADIAN Shipholdings is negotiating a possible £60m contract with British Shipbuilders as part of its fleet expansion programme.

The Canadian-owned shipping group, whose headquarters is in Switzerland, said yesterday that it was also transferring a number of recently purchased secondhand ships to the British flag.

The possible new building contract involves six 67,000 dwt dual purpose vessels for use on the Cast line's mixed-container and bulk service between Canada and Europe.

Sunderland Shipbuilders and Swan Hunter, both part of British Shipbuilders, have done design work for the ships. Eurocanadian said yesterday it was now awaiting a firm tender from British Shipbuilders. It is also talking to shipyards in Korea, Japan and Poland.

Mr. Peter Twiss, president of Intercast, the Swiss subsidiary of Eurocanadian, said he hoped that the British offer, with the assistance of Government subsidy, would be competitive.

The order would give the British group a chance to start series production for this type of bulk carrier capable of travelling through the Panama Canal, Mr. Twiss said.

Bermudan companies associated with the Eurocanadian group now own seven bulk or combination carriers for use in either dry cargo or oil trades.

These vessels, aggregating 500,000 dwt, will be managed by Denholm Ship Management of Glasgow and fly the British flag.

The group also operates a chartered fleet of 24 bulk carriers.

Its strategy is to substitute new ships for the converted vessels now serving on the transatlantic liner service, releasing the older ships for worldwide operation in the bulk trades.

The group's expansion of its British-flag bulk carrier interests contrasts with a 5.5m dwt reduction in the British fleet, mostly of bulk carriers, since the beginning of last year.

Mr. Twiss said that the company was awaiting the outcome of the election before determining its next move on its holdings in the Furness Withy shipping group.

After the Monopolies Commission ruling against Eurocanadian's take-over bid for Furness Withy in 1976, Eurocanadian agreed to reduce its stake in the British company to 10 per cent by the end of this year.

New bid to save Kirkby co-operative

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

LEADERS of Kirkby Manufacturing and Engineering are making a new attempt to prevent the break-up of the co-operative which went into liquidation on March 27.

Mr. Jack Spriggs told a meeting of creditors yesterday that the Department of Industry will be asked for assistance under the Industry Act, in order to purchase the assets of the co-operative.

Mr. Spriggs' proposes that the co-operative would employ about 300—less than half the number previously, and concentrate initially on manufacturing radiators. He also suggests that the Government appoint a chief executive, and a financial controller, putting the co-operative's directors into a minority. "The question of a co-operative is no longer as important as creating jobs," said Mr. Spriggs.

The co-operative's creditors confirmed Mr. Bernard Phillips as liquidator and appointed a committee of inspection from the British Steel Corporation, the Inland Revenue, Knowseley Borough Council, and two trade creditors.

Mr. Phillips said that the co-operative made an estimated loss of £1.067m in the year to March 27. Its assets have been estimated at £1.95m, of which £1.34m are realisable.

After claims for tax, rates and wages, have been deducted, £448,000 is available for the unsecured creditors.

Taking into account the department's claim for £4.76m in grants, for which the Government is classified as a deferred unsecured creditor the estimated deficiency of assets after liabilities is £5.22m.

Further aid for Sasse rejected

By John Moore

THE committee of Lloyd's of London has rejected the request by 110 members of the stricken Sasse underwriting syndicate for an increase on the £7m loan facility recently arranged by Lloyd's.

The syndicate faces a £10.6m loss on North American fire and damage to property insurances, and a £3m loss on computer leasing contracts.

Many of the syndicate members face bankruptcy unless further aid is forthcoming.

Mr. Stephen Merrett, who took over management of the syndicate from Mr. Frederick Sasse when it ran into trouble, had been hoping for enough money from Lloyd's to have enabled all members of the syndicate to pass the annual Lloyd's audit.

All members of Lloyd's have to pass an annual audit to test whether their underwriting assets are sufficient to meet their liabilities. If they fail, they could be forced to resign their membership of Lloyd's.

But behind the scenes at Lloyd's, there is an attempt to arrange a market rescue for the syndicate.

There is some feeling among a few Lloyd's members that the syndicate should perhaps be helped because of the unusual number of Lloyd's safeguards which broke down in the period when the £13.6m losses were incurred.

If further aid was forthcoming from the market some of the underwriting agents, managers of the members' affairs at Lloyd's, might arrange loans to the Sasse syndicate.

Pill victims plan to sue U.S. makers

Financial Times Reporter

THREE HUNDRED British women plan to sue American drug companies for damages caused by the contraceptive pill.

The women have formed the Pill Victim Action Group to press thier claim that American drug companies do not give adequate warnings of possible side-effects of the pills they sell in Britain.

The Californian lawyer Mr. Gerald Sterns, who won damages for the British victims of the DC 10 crash near Paris in 1974, will fight their case.

In a BBC interview, Mr. Sterns explained that whereas in the U.S. a four-page leaflet is inserted in pill packages warning women of the increased risk of clotting and thrombosis in using such contraceptives, British law does not compel American manufacturers to give warnings with pills sold here.

Mr. Sterns said that between 60 and 70 per cent of pills taken by British women are made by American manufacturers. The action group wants a health warning to be compulsory with every packet sold.

Mrs. Judith Challenger, chairman of the group, is one of its 300 listed pill victims. She had a stroke.

The Family Planning Association urged Britain's 3m women on the pill to keep taking it, deeming the risks associated with pregnancy greater than those of the pill.

The association agreed that more information about side-effects should be given, but said it should come from doctors, rather than pill packets.

Findus subsidy lifts redundancy threat at Hull fish factory

BY RHYS DAVID

FINDUS, the frozen foods group, is to receive a temporary employment subsidy for 270 jobs under threat at a Hull fish processing factory—one of the last applicants to benefit from the temporary employment subsidy being phased out to comply with EEC regulations.

The company said two weeks ago that the plant at Strickland Street and its adjoining annexe in Wassand Street would close with effect from July. Operations have been hit by the reduction in fish available for UK processing following the closure of traditional grounds to UK fleets. The factory lost £500,000 in 1978 on top of heavy losses in preceding years.

An application for the subsidy, available initially for six months, was submitted, however, before the March 31 deadline for the ending of the scheme and has been granted by the Department of Employment.

Findus said yesterday that the subsidy would enable the Wassand Street plant to continue as an experimental centre for work on the blue whiting—possible replacement for cod in some applications, including fish fingers. It is thought that about 1m tonnes of blue whiting a year could be caught off the coast of Scotland but the fish is too small for fresh sale and has to be processed. Wassand Street has been developing a filleting machine aimed at maximising yield from the fish.

Because of the subsidy, Findus said it would study ways of saving the factory permanently. Plans were in hand to improve performance, and spending on advertising and promotion would be increased.

The medium and long-term future of the Hull plant must still remain uncertain and will depend on many things, such as the resolution of the EEC fisheries policy, which we hope will lead to some stabilisation of our fishing industry, Mr. Colin Birch, the company's technical director warned, however.

Two other Hull fish processors, Brekkes and J. Marr and Son, have also applied for Government aid to prevent redundancies.

Two other major closures in the north, involving the loss of about 4,000 jobs will take place today as planned. At Spennymoor, Durham, the first redundancies come into effect at Courtaulds' large worsted spinning plant. Nearly 1,600 workers will lose their jobs before the end of May. Notices also expire today for 2,400 workers at Dunlop's Speke plant on Merseyside.

Another U.S. loan likely for British Airways

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE U.S. Export-Import Bank of Washington has given tentative approval, subject to confirmation by Congress, for a loan of $71.6m (about £36m) to British Airways so that it can buy a further nine Boeing 737 jets.

Last year, the Ex-Im Bank loaned $151.2m (about £75m) to British Airways to buy 19 737s.

The 19 737s will be used on short-haul duties in Western Europe, replacing ageing One-Elevens and Trident One and Trident Two airliners, and the other nine will be used by British Airtours, the airline's holiday charter subsidiary, replacing Boeing 707s. The orders were announced last year.

The loans will cover about 70 per cent of the total cost of 28 aircraft. The airline will provide the remaining 30 per cent.

● British Airways will receive the first of six long-range Lockheed Tri-Star airliners next week.

The others will be delivered later this summer and early in 1980, bringing its total TriStar fleet to 15, with another six on option.

The new aircraft, Series 500, is capable of carrying 250 passengers over 6,000 miles, or up to 330 passengers over a shorter distance.

Each Series 500 is fitted with the more powerful Dash 524 version of the Rolls-Royce RB-211 engine.

The aircraft has been awarded a Certificate of Airworthiness by the U.S. Federal Aviation Administration, and will receive a UK Certificate next week from the Civil Aviation Authority.

One feature of the Series 500 is its "fuel management system," which is expected to save a substantial amount of fuel on flights to and from the Gulf area, the route where it will initially serve.

● McDonnell Douglas of the U.S. is offering airlines a new version of its DC-9 Super 80 twin-engined airliner, designed for use from "hot and high" airfields in mountainous areas.

So far, McDonnell Douglas has won firm orders for 55 of the basic Super 80, with options on another 32. Further orders, including some of the new "hot and high" model, are being negotiated.

● British Airways is studying the possibility of operating flights to the Philippines, Korea and Communist China, said Mr. Gerry Draper, commercial director.

Mr. Draper, addressing the Pacific Area Travel Association in Seoul, Korea, also forecast a big increase in the number of Britons travelling longer distances for their holidays.

He said that by the mid-1980s as many as 1½m Britons would be taking holidays in far-away places, and the airline was preparing to meet this demand.

Strathclyde to receive £52m Euro-bank loan

THE European Investment Bank is to lend £52m to Strathclyde Regional Council for major projects.

The loan, the largest to a Scottish local authority, will finance sewage disposal works near Glasgow, water supply and sewage disposal in North Ayrshire and the Monklands motorway in Glasgow.

The agreement for the first instalment of £12m was signed in Luxembourg by Sir Lawrence Boyle the council's chief executive and Mr. Kenneth Paterson, the director of finance.

The bank has an investment of over £100m in Scotland and the Lothian Region has negotiated loans totalling £39m during the last 18 months.

Strathclyde estimates that its loan will save ratepayers £300,000 a year in interest on the first instalment.

The loan has been approved by the Bank of England and the Treasury, which have given sterling guarantees to protect Strathclyde if the value of the pound falls.

The money will be paid in foreign currencies. Loans are given only for specific projects which are examined in detail.

The initial loan of £12m is repayable over 15 years and the first instalment is due in October, 1983. This instalment has been negotiated at a fixed interest rate of 9.45 per cent.

Recovery in UK economy forecast

BY DAVID FREUD

SIGNS that the UK economy may recover next spring are indicated by figures published by the Central Statistical Office.

It will be several months, however, before thesigns can be interpreted with any degree of crtainty.

The composite index of longer-leading indicators—which looks forward about a year—rose substantially in March, after a steady fall for 16 months.

The index shows recent movements in the FT-Actuaries 500 index and short term interest rates—the only series available for March.

It remains to be seen whether the favourable movements in these two series are sustained and whether the two further series in the index—covering total house building in Britain and net acquisition of financial assets by companies support the trend when figures become available.

The composite index of shorter-leading indicators, which looks forward about five months has not been calculated for February because of insufficient data. This index has fallen steadily since August.

The composite idnex of coincident indicators—showing current trends—fell in February. Both the series available contributed to this movement, with the smoothed indices of manufacturing production and retail sales both falling.

Land sales bring BR £9.8m

By Andrew Taylor

BRITISH RAIL last year raised £9.8m from land sales, taking its total raised from land disposals to £213.3m since 1963.

Mr. Robert Lawrence, vice-chairman of British Rail and chairman of its Property Board, defended the board's record of disposals. He said: "We are not sitting on vast tracts of undeveloped land.

"Last year we sold 3,305 surplus acres. We expect to dispose of at least a similar amount this year, and it could be a bit more."

The board, set up to manage and exploit BR's land and property bank, had disposed of more than 76,000 acres since 1963 and now had between 4,000 and 5,000 under-used or unused acres available for development.

The board also reported a 15 per cent increase in gross income on lettings, to £34.2m. It was reduced to 25.4m by management expenses and to £23.8m after charging development land tax, showing a 12 per cent increase on last year's net surplus.

Mr. Lawrence criticised the system of levying development land tax on property sales and developments of a nationalised body like British Rail, although this did not mean he wanted BR to be completely exempt from the tax.

£38m sleeper coach scheme

MR. WILLIAM RODGERS, Transport Secretary, said yesterday he had authorised the British Railways Board to build 236 new coaches for sleeper train services. The coaches will be built at the board's workshops in Derby at an estimated cost of £38m.

The new cars will replace ageing rolling stock and the Department of Transport said yesterday the design would take into account lessons learnt from the investigation into the Taunton sleeper train fire last year.

Rapid development of solar heating 'unlikely'

BY COLLEEN TOOMEY

SOLAR HEATING is unlikely to develop rapidly in the UK this year, in spite of the latest oil shortages and energy price rises, it was claimed yesterday.

Britain's reluctance to adopt anything with a "gimmicky" image, occasional "disasters" that have pervaded the solar heating industry, plus lack of understanding by the heating and builders' merchants trades have all inhibited growth in Britain, Mr. Alfred Manly, president of the Heating and Ventilating Contractors' Association, said.

False claims had been made by companies marketing solar systems on the financial advantages of installation.

There had been problems over fixing solar collectors to certain kinds of roof and with pipework. There had also been a tendency to overlook some of the statutory requirements regarding planning and water supply.

The extent to which the Government would provide incentives to householders and industry to instal energy-conserving equipment of marginal cost effectiveness in the same way that it had heavily subsidised insulation was also unkown.

The association, confident that demand will grow and mindful of the need to eradicate bad practices, has just launched a guide on solar heating for domestic hot water.

The guide is comprehensive for both installer and consumer, and is published in advance of the British Standards Institution's two Codes of Practice on solar heating.

There are over 10,000 solar collectors for domestic heating in British homes. About 1,200 were installed last year, although the Solar Trade Association disputes the figure, estimating a figure in excess of 4,000.

On a much grander scale, an international project under the International Atomic Authority is working on the theory that man will have solved his energy problems with an artificial "sun" by the end of the 1980s.

The first of the miniature "suns"—thermonuclear power stations—will be the result of European, Japanese, U.S. and Soviet co-operation.

Mr. Boris Kadomtsev, a leading Soviet scientist, said in Moscow News that early meetings had been so successful that he was confident the scientists' reactor, Intor, would be demonstrating "everything needed in a commercial power station by the end of the 1980s, and the first could be functioning by the end of the century."

Thermonuclear reactors would work by the fusion of hydrogen atoms as opposed to the fission of uranium atoms in present nuclear stations. Fusion is the solar process which forms all fossil fuels such as coal and oil, as well as wave, wind and hydro power.

Intor—International Tokamak Reactor—will be the latest of about 50 Tokamaks. There are four Tokamaks being built in Europe, the U.S., Japan and the USSR, and Mr. Kadomtsev says each will tackle a different problem. The four reactors will culminate in Intor.

Guide to Good Practice on Solar Heating for Domestic Hot Water. The Heating and Ventilating Contractors' Association. ESCA House, 34 Palace Court, London W2. £2.

Home buying outlook brighter

BY ANDREW TAYLOR

A BRIGHTER outlook for house buyers is indicated in the latest monthly figures from the Building Societies Association, which show an 11 per cent increase in building society net receipts last month compared with February.

Mr. Norman Griggs, secretary general of the association, said: "There are grounds for optimism over the months ahead. As rates of interest decline in the economy, building societies should be able to improve their intake of funds and step up their mortgage lending."

Net receipts rose to £257m last month — compared with £231m in February. Mr. Griggs said that the improved flow of funds was being maintained, and on current performance net receipts could top £300m in April.

Interest rates had swung back in favour of building societies following the recent cuts in MLR and bank rates. "The societies are more competitive now than at any stage since last September."

Allowing for seasonal factors the underlying improvement in March receipts was "greater than the figures suggest." The figures also showed an improvement in cash lending levels.

Societies lent £726m to home buyers and promised to lend a further £746m to mortgage applicants—the highest figure for 12 months.

The increase in lending and new commitments was largely the result of seasonal factors.

Mr. Griggs said that house price increases have meant that building societies—as much constrained by cash shortages as by Government lending restrictions—have been unable to consider making so many individual loans.

In the first quarter of the year societies made 178,00 loans compared with, 179,000 in the last quarter of 1978.

Less money is now being lent for home improvements. At one stage last year loans for other than house purchase were averaging £100 a month. The figure is halved now that the Government is easing its restrictions on mortgage lending, making money more available.

Building society accuses politicians

BY ANDREW TAYLOR

THE Leicester Building Society has sharply criticised politicians for paying too much attention to first-time house buyers and ignoring mounting problems in the rest of the housing market, society's annual meeting last levels.

Mr. Gerald Aspell, Leicester's chairman said: "Schemes to help first-time buyers such as cash bonuses, interest-free loans or grants are merely tinkering with the system. First-time buyers' problems can only be resolved as long as there is healthy activity throughout the whole of the housing market."

He told shareholders at the society's annual meeting last night that the ceiling of £25,000 on loans qualifying for tax relief should be lifted.

"Unless an adjustment is made to take account of inflation, pressure will be built up in the middle and bottom end of the market, thus adding to the problems of the first-time buyer."

It was not a question of showing preference to an affluent sector of the market since prices of £40,000 and more were by no means unusual—particularly in London and the Home Counties.

"We also need to remember that the majority of first-time buyers will eventually seek to move on up the ladder."

Government restrictions on mortgage lending had not stemmed a "natural market adjustment in house price levels.

"In fact, it could be that restrictions themselves contributed to the actual rate of increase. In the new building field, house starts were depressed, leading to increased competition for those properties which were available."

The society also said reductions in interest rates were now beginning to be reflected in an improved level of funds. In the first quarter of this year Leicester granted home loans worth £37.7m to more than 70,000 people.

City parking charges rise 50%

PARKING METER charges in the City of London are to increase by 50 per cent on April 30—from 20p to 30p an hour.

Because City meters are intended for short-stay parking, the minimum charge will remain at 10p although this will buy 20 minutes instead of 30 minutes parking.

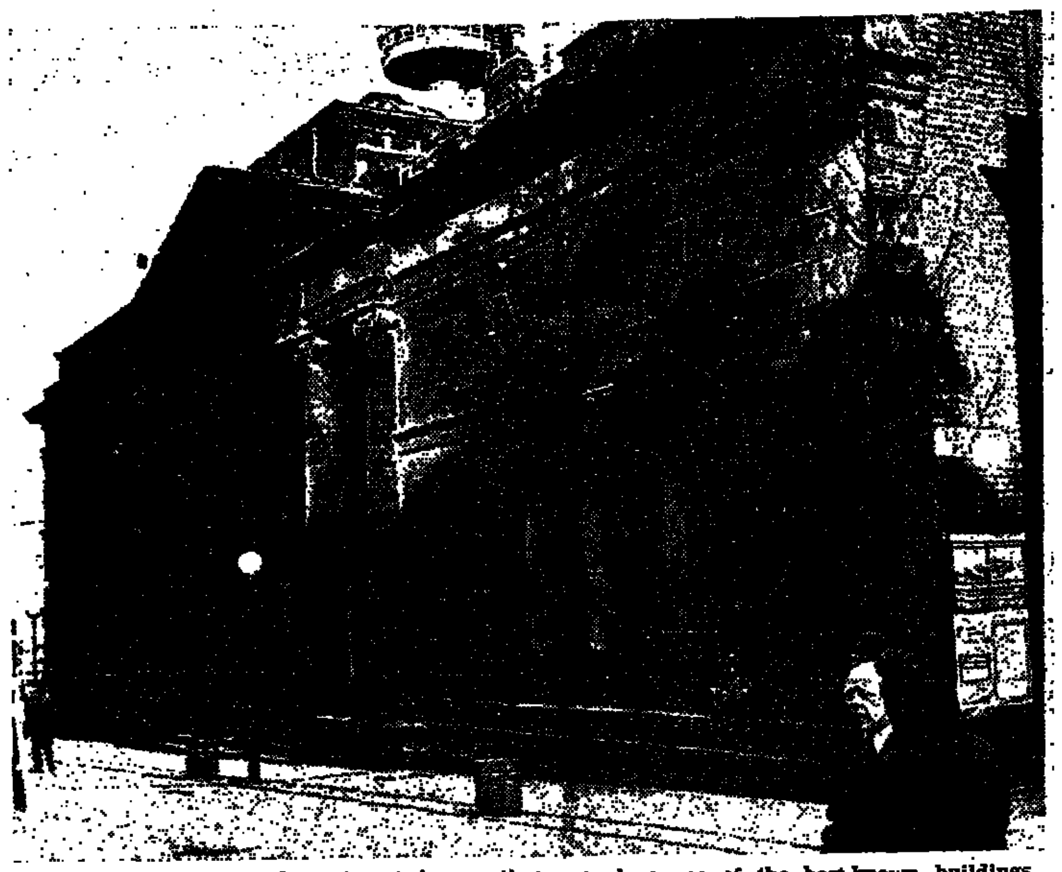
Meters will be converted to accept 50p coins as well as 10p coins when the new charges come into effect.

The meters will be converted over four week-ends, therefore some parts of the City will continue with the old charge for three weeks.

Drivers are advised to check the rates on individual meters.

The Corporation of the City of London say that the increase is intended to discourage long-term parking and to make each meter more available.

Parking charges at Smithfield Market will increase from 20p to 30p and at the St. Paul's Churchyard coach park charges will rise to £1 for 30 minutes.



THE ENVIRONMENT Department is negotiating to buy one of the best-known buildings in Liverpool, the Lyceum Club in Bold Street, which has been threatened with demolition. It is a Grade II listed building, designed in 1802 by Thomas Harrison of Chester. It will be restored, if the negotiations are successful, Mr. Peter Shore, the Environment Secretary, said. The latest move had been decided upon, he said, following representations and because of the implications for the club's owners of any further delay in reaching a decision. The club is on a site adjoining Liverpool's Central Station, and had been proposed for inclusion in a development of the area agreed by British Rail with a development company.

Advertiser 'applied improper pressure'

A MAJOR ADVERTISER made a blatant attempt to put improper pressure on a weekly newspaper, the Press Council ruled yesterday. The Council condemned the action by Wales Gas, a region of the British Gas Corporation.

Mr. John Tanner, editor of the North Wales Weekly News, complained that Wales Gas withdrew its advertising in a calculated attempt to manipulate the Press by using commercial pressure.

In its adjudication the Council reaffirmed its condemnation of any action to limit editorial freedom by threats of withdrawing advertising.

The North Wales Weekly News had criticised Wales Gas in an editorial about a liquid petroleum gas depot at Llandudno.

Mr. A. R. Price, public relations officer of Wales Gas, wrote to the newspaper's managing director saying he was not satisfied that the editor recognised the serious lapse of journalistic standards in comment which could only inflame local feelings.

Until there was a return to normal standards of ethics, Wales Gas had decided to withdraw its advertising.

Mr. B. R. Jones, regional secretary of Wales Gas, denied that it had tried to restrict Press freedom. The decision to withdraw advertising of gas appliances, he said, was taken by senior management on commercial grounds alone, as the adverse editorial environment cancelled out its value.

No threat to withdraw advertising had been made to the newspaper.

Sensitive

● The Press Council rejected a complaint by Wales Gas that the editorial in the North Wales Weekly News "fell little short of incitement to violence, and far exceeded what was acceptable."

The newspaper advocated only lawful behaviour, the Council held.

The editorial, headed "Time to put the boot in," commented on the hazards of siting liquid gas tanks in a residential area of Llandudno.

Noting local objections, it said that protestors must use every legal means to fight their case. The Gas board was more sensitive to kicks on the backside than to appeals to its better nature, the newspaper added.

In its adjudication the Press Council said: "The leading article and the headline were a vigorous expression of the newspaper's views. They employed figurative terminology but only lawful means of protest were advocated."

More European companies invest in Scotland

FINANCIAL TIMES REPORTER

THERE HAS been "impressive" growth in jobs and investment in Scotland by European manufacturing companies over the past five years, according to a Scottish Council (Development and Industry) survey.

The study, published yesterday to coincide with the opening of the Hanover Trade Fair, was undertaken by the council's research institute. It shows that jobs in these companies have risen from 6,000 to 14,000 while the number of companies increased from 29 to 73. Also capital investment has increased from £27m to an estimated £128m.

The Dutch, with 18 manufacturing companies, head the league table followed by Switzerland with 13, Sweden 10 and Germany nine. Others are: Norway 6, France 5, Denmark and Ireland three each and Belgium two.

The survey shows that the growth record of European-owned companies is impressive although, compared with North American-owned manufacturing concerns, with about 92,000 employees in Scotland, their scale of operation is modest.

The report emphasises their signficance in certain sectors, notably food processing, chemicals, mechanical engineering, electrical engineering and other manufacturing, including sports equipment.

They account for 2 per cent of Scotland's manufactured exports, with only 17.3 per cent of their estimated £324.3m output being destined for abroad, which suggests that these companies are geared to meet domestic demand.

"With about 100 per cent growth in activities over the last five years, European-based companies look like becoming a very important component of the industrial structure if the growth is sustained," the report adds.

The Scottish Council will be exhibiting at the Hanover Trade Fair for the fifth successive year. The object is to identify companies interested in coming to Scotland, to interest European companies in joint ventures with Scottish companies and to provide a focus for Scottish participants and visitors to the fair.

Shell executive takes company aid top job

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

MR. LOUIS WALKER, director of trade relations at Shell (UK) has been appointed chairman of the London Enterprise Agency which has been set up to assist small companies in inner cities. Mr. David Peters is vice-chairman.

The scheme sponsored by nine major companies is being piloted in London, but it will be extended to other cities if it is a success.

The agency will loan staff on an advisory basis; offer training facilities and help small companies with their purchasing requirements — studies have shown that large orders can often be split up with no loss of quality or price advantage.

Uganda service

THE FIRST regular airline service from Britain to Uganda since the overthrow of President Idi Amin will open on May 1. It will be operated by IAS Cargo Air Lines.

The British company said yesterday it would reintroduce weekly all-cargo flights of DC8 aircraft from Gatwick to Entebbe. The company's service to Uganda was suspended in 1975.

LABOUR NEWS

Head teachers insist on school exam safeguards

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE MAIN HEAD teachers' union yesterday demanded the use of non-teaching staff where necessary to safeguard examination candidates and other children during the threatened work-to-rule by the two biggest classroom teachers' unions over their 36.5 per cent pay claim.

The 20,000-strong National Association of Head Teachers' rescue plan followed overwhelming approval by the Eastbourne conference of the 112,000-member National Association of Schoolmasters and Union of Women Teachers of a strict five-hour day from May 8.

The action could disrupt national exams and normal lessons for many thousands of pupils.

A milder "withdrawal of goodwill" from April 26, banning supervision of lunch-breaks and after-school activities had already been approved by the 258,000-strong National Union of Teachers' conference at Scarborough.

The National Association of Head Teachers instructed members to try to safeguard exams by seeking co-operation from their regular teaching staff. But failing that, it called on local education authorities to employ independent invigilators for the exams.

Local authorities should also seriously consider employing non-teaching staff to look after children who would be left unsupervised by the two unions' work-to-rule.

The NAHT would give full backing to all members' decisions taken in the exercise of their professional judgment.

Both classroom teachers' union threats could be forestalled, however, if the independent chairman of the Burnham Pay Negotiating Committee decides at its next meeting on Tuesday to send to statutory arbitration the teachers' claim and the education authorities' 9 per cent offer backdated to April 1, plus reference to the Pay Comparability Commission.

The independent chairman has power to invoke arbitration if he thinks that negotiations have broken down.

Public service pay deal threat

BY PHILIP BASSETT, LABOUR STAFF

OPPOSITION to the Government's pay offer to 600,000 white-collar civil servants is growing among members of the two most militant unions, particularly in Scotland, despite recommendations from all eight civil service unions to accept it.

Scottish members of the Society of Civil and Public Servants, the last union to agree to recommend the deal, have started a campaign to reject it.

Local union officials said yesterday there was a groundswell of opinion against the deal. One said many Scottish civil servants who had been in the front line of the selective strikes organised by the SCPS and the Civil and Public Services Association felt the present offer could have been achieved without any industrial action.

The official thought the Scottish vote on the offer—both unions will hold consultative meetings next week—would go against the acceptance. In Edinburgh yesterday, about 140 court staff voted to reject the offer with only a few in favour.

The offer gives increases of 9 per cent fro April 1 this year, with a further £1 a week for staff on salaries up to £4,795 a year; a further 5 per cent from August 1 this year; and the balance of rises due from the Pay Research Unit comparability studies on January 1, 1980.

Both the SCPS and the CPSA are intent on legal action over the suspension of Scottish Office staff for refusing to do work normally done by staff who were on strike over pay. The Scottish courts are still halted as part of the pay strikes, which are continuing until the results of the consultative meetings are known.

The two unions, as part of their agreement to recommend the offer, have accepted a compromise formula on the suspensions. It was agreed with the Civil Service Department that the period of the suspensions would counts towards promotion and annual leave entitlement. It would not count, though, for pension purposes, and dates of incremental rises would be put back a month to take the length of the suspension into account.

Call to extend pickets' rights

BY PAULINE CLARK, LABOUR STAFF

TRADE UNION representatives in Scotland are planning next week to hit back at Conservative proposals for controlling union power with a call for extended legal rights for pickets.

The argument for greater protection for trade unionists will be presented to next week's annual congress in Inverness of the Scottish TUC when delegates debate proposals for changes in present legislation affecting trade union activities.

In a composite motion, the Amalgamated Union of Engineering Workers calls broadly for an increase of enforcement powers by Government agencies to protect trade unionists from victimisation.

In particular it wants the Trade Union and Labour Relations Act amended to legalise "the right of pickets to stop vehicles to allow for an adequate explanation of their case."

The motion also seeks legislation to extend the right of trade unionists to enable factory occupations to become acceptable forms of industrial action. Such legislation, it is argued, should eliminate the threat of use of conspiracy under common law or statute from industrial relations.

Finally the motion proposes that the amended laws should "ensure the right of pickets to effectively operate without interference from the police regarding limitation of numbers."

A general council motion "views with grave concern" the continuing stagnation of the economy and the unemployment problem and calls for a trade union and Labour movement campaign aimed at creating more effective Labour Government policies. Among the priorities are a 35-hour working week, a new approach to investment policy with increased public sector investment and imposition of selective import controls.

The Scottish Area National Union of Mineworkers is among several groups to put forward motions urging a return to free collective bargaining.

NALGO agrees big cut in strike pay

By Pauline Clark, Labour Staff

BRITAIN'S BIGGEST white-collar union has cast a sidelong blow at new Conservative proposals for union strike funds by substantially cutting strike pay.

The new level of £4 a week set by the 730,000-strong National and Local Government Officers' Association is less than half the amount the Tories have suggested as the assumed level of strike pay when determining social security benefits for strikers' families.

The union has made the decision as an emergency, without waiting for a conference debate, after losing about £2½m over its prolonged social workers' strike. This is about the same amount paid out by the Transport and General Workers' Union during the Ford strike of last autumn.

Previously, NALGO members were paid approximately their normal net salary during strikes.

The Tory Party manifesto last Thursday promised that a Conservative government would ensure that unions bore their fair share of the cost of supporting strikers.

Unrealistic

Mr. James Prior, the party's employment spokesman, said later that the aim would be to encourage unions to build up strike funds while the level of social security benefits issued to strikers' families would assume strike pay of "perhaps around £8."

The NALGO strike fund now stands at £294,000 after probably the most costly industrial action in its history. It started last August, and at one point, some 3,000 social workers were involved.

Most have now returned to normal working, but 310 are still on strike, and draining the union's resources even further.

The union claims to be among the very few to provide such generous strike pay, and has finally decided that the level is unrealistic. Strike pay to the social workers has been about 55 per cent of gross salary, and those still taking action in Tower Hamlets and Knowsley will continue to receive that amount.

Under the new policy, the union will pay single members who do not qualify for social security a basic £4 topped up to the amount of a single person's benefit—currently £15.75. But married members will be encouraged to claim appropriate family benefits.

Dunlop studies TGWU Speke talks proposal

BY OUR LABOUR STAFF

THE Transport and General Workers' Union said yesterday that Dunlop was considering reconvening a meeting of national and local union officials together with Sir Campbell Fraser, company chairman, and directors.

Mr. John Miller, the union's national secretary for chemicals and the co-ordinating secretary of Dunlop's 11 unions, has been seeking a joint meeting to discuss alternative plans for keeping open the Speke plant on Merseyside.

The plant is being closed today with the loss of 2,400 jobs, as part of a rationalisation programme, which also involves redundancies at Fort Dunlop, Birmingham and Inchinnan, Glasgow.

Murray pledges union support for Government

BY OUR LABOUR STAFF

TRADE UNIONS could not refuse the responsibility of working with the Government, Mr. Len Murray, TUC General Secretary, said yesterday.

Mr. Murray, speaking to the annual conference of the *National Association of Schoolmasters-Union of Women Teachers* at Eastbourne, steered clear of any direct reference to the General Election or to changes in union attitudes if a Conservative government was returned.

Though unions could not refuse the responsibility of working with the Government, *governments* had to make that possible and had to choose to work with the unions.

Vickers workers lift parts ban

WORKERS at the threatened Vickers heavy engineering factory at Scotswood, Newcastle-upon-Tyne, have temporarily lifted their six-week ban on finished parts leaving the plant.

The union committee, campaigning to stop the closure in September with the loss of 500 jobs, agreed to release dumper truck frames for the Grantham works of Aveling Barford, where workers also face redundancy.

Mr. Peter Tolchard, the Vickers convenor, said the decision followed an appeal by shop stewards at Grantham.


British airways
IT'S ALREADY 1983 AT BRITISH AIRWAYS.
The future belongs to the airline that runs an efficient ship. And nobody knows that better than British airways.
British airways' purchase of 19 Boeing 757s (along with Eastern Airlines' order for 21) begins an entirely new era of jetliners. The Efficiency Era.
British airways' 757 service is planned for 1983. It'll mark a giant step in commercial aviation. Giant for one very simple reason: The 757 is a major fuel saver.
In every aspect, this new airplane is designed for efficiency.
And along with all this efficiency will come one of the quietest twin-engine airplanes in the sky.
Efficiency isn't the only name of the game for the '80s. Passenger comfort is equally as important. This is where the 757 shines as well. Super-modern interiors are the result of more than twenty-five years of Boeing work. Overhead stowage per passenger is more than you'll find in our 747. Garment bags lie flat. And there's still room for carryons.
Our indications are that this is just the beginning — the first step by airlines all over the world moving to the efficiencies of the 757.
Prediction: 1,500 jetliners by the year 2000.
Lower fuel costs. Advanced technology. Passenger comfort. Modern airline marketing.
British airways added it all up and figured here's one airplane that's already earned its wings.
Thanks, British airways.
BOEING
Getting people together.

Labour opens prices offensive

BY JOHN HUNT

LABOUR WENT over to the offensive on prices yesterday with the unveiling of what Mr. Roy Hattersley called "a major strengthening" of the powers of the Price Commission.

"It will mean a fundamental change," the Prices Secretary said at Labour's Press conference. "We are moving the emphasis from the investigation of price increases to the investigation of prices themselves.

"That changes very considerably the powers that the Commission will have over the next five years."

He was explaining how Labour would implement its manifesto promise that the Commission would cut prices instead of merely investigating them and freezing them.

The powers of the Commission would be increased by allowing it to investigate prices in areas of industry and commerce from which it is at present excluded.

Insurance premiums was one example of the type of examination it might carry out under the new proposals, he said.

However, it would not be able to move into those areas which are excluded by Britain's international treaty obligations.

In addition, the Commission would be empowered to initiate examinations of costs and prices in whole sectors of industry and this could be followed by recommendations to freeze or reduce prices.

At present, the power to initiate such wide-ranging examinations rests solely with the Government.

The Commission would be allowed to investigate the prices of specific goods and services even where there was no immediate application for a price increase. Currently, it can only do so when a price rise is proposed.

The Prices Secretary was egged on by the Prime Minister, sitting beside him, who suggested that he should be a "little bit destructive" about Conservative policies.

Mr. Hattersley agreed that the Tories had been "almost hysterically" opposed to the Price Commission. But it seemed impossible to get them to say anything on the subject since the start of the election campaign.

He challenged them to say whether they would maintain any form of price control, whether they were sal or sorry that some prices had been frozen and whether they would countermand all the orders made by the Commission.

Mr. Callaghan made some play with the latest EEC Commission figures on the outlook for the British economy for the current year.

These suggest that prices in the UK will rise by 9.7 per cent this year—a prediction which Mr. Callaghan saw as giving some backing to his forecast that the inflation rate would eventually turn out at around 10 per cent.

But when it was pointed out to him that the Commission also forecast that Britain's growth rate would only be 2.3 per cent, he replied that it was best to be cautious about all statistics of this kind.

The Prime Minister attacked the statement made the previous night by Mrs. Margaret Thatcher, the Conservative leader, on old age pensions. He described this as "astonishing in its evasiveness."

He said that Mrs. Thatcher had only promised to protect the pension against price increase whereas the Labour Government policy was for it to keep pace with prices or wages, whichever was the higher.

Mr. Callaghan alleged that if this Tory policy was put into effect pensions would be £5 a week lower than they are today. He described Mrs. Thatcher's statement as "a pretty addled Easter egg."

Finally, he also had some more hard words for the policies of the EEC. He insisted that he was an EEC supporter but was "against the mumbo jumbo and other nonsense" that came from Brussels.

Ashley Ashwood

Mr. Hattersley (left) and Mr. Callaghan.

Credible vision of Wessex

THE GENTLE seep, seep of Dorset oil joined the campaign cacophony yesterday when the Wessex Regionalist Party called a morning drinks conference to introduce its eight candidates and explain its vision of a federalised Britain.

Federalism? Wessex. In reverse order, Wessex is held to be the area south of the Midlands, west of London and east of Cornwall, while the Wessex Regional Part (campaigning under the slogan: "Wessex Awake") is positively in the vanguard of the federalist movement it hopes will sweep Europe.

Drinks? To be fair, the Press squeezed politely into Alexander Thynn's Notting Hill flat and were admirably well behaved. Women journalists in black print dresses sat on throw-away chairs and discussed the ins and outs of regionalism, while the gentleman from Time Out plunged heroically into a tutorial on government-by-the-people.

Mr. Thynn is also known as Lord Weymouth. He is the son of Lord Bath. Approximately six-foot-three, he wears a gold ear-ring and dreadlocks and wants to abolish the House of Lords.

In February, 1974, he launched the notion of Wessex regionalism by standing for Westbury. He polled 521 votes, an experience that has neither diminished his enthusiasm nor quelled the growth of his following.

The Wessex regionalists want self-government, a Wessex Regional Assembly and the introduction of a Wessex property tax, to be paid by all house buyers who have not resided in Wessex for any seven years, or for three years before purchase.

They want a Wessex transport system, a Wessex TV and radio channel, control of industrial expansion and the diversion of revenues from natural resources, including Dorset oil, into the development of alternative energy sources and long-term employment opportunities.

Eventually, the regionalists hope, Britain will switch to federal rule, with 10 areas: Scotland, Wales, Northumbria, Lancastria, Mercia, Anglia, London (two regions) Wessex and Cornwall.

"We're not separatists," said a candidate, Mr. Michael Mahony, who is running for Winchester. "We're against bureaucracy. Government must revert to the people." Mr. Mahony is a part-time actor and a breeder of Arabian horses.

"Do you think we're credible?" he asked a woman journalist.

"Oh, perfectly. Rather. Awfully. Quite."

PM emphasises jobs record

BY IVOR OWEN

THE PRIME MINISTER went into the market place in search of votes yesterday when he toured the key marginal constituencies of Hitchin and Welwyn and Hatfield in Hertfordshire.

Brilliant sunshine highlighted an impressive "Sunny Jim" performance as, accompanied by a jostling crowd, he wended his way through the market stalls in the main street of sedate—and apparently Conservative—Baldock.

In the most extensive walkabout undertaken so far on his election tour, Mr. Callaghan smilingly dispensed autographs and handshakes for more than 20 minutes with more than 400 people pressing on his heels.

There were words of encouragement for the Labour leader, which must have raised hopes that the 3,186 majority secured by Mr. Ian Stewart when he held the seat for the Conservatives at the last general election might yet be overturned.

But he encountered sales resistance, too. One first-time voter reproved a too-responsive friend with the bitter complaint: "What are you waving for, you serf?"

Then on to Lion's Square, Hatfield, where the Prime Minister produced a roar of support for Mrs. Helene Hayman, who narrowly won Welwyn and Hatfield with a margin of just 520 votes in October 1974.

The area's heavy dependence on the aircraft industry dominated a crisply-delivered speech, extolling the part played by Mrs. Hayman in ensuring a future for the HS-146 airliner.

The audience was reminded that the Government had invested £250m in British Aerospace.

"Without aircraft work, you would not have a job now—so think about that on May 3."

Surrounded by another jostling throng, Mr. Callaghan made his way to Hatfield market place and more smiles and cheers.

But some young Conservatives were determined to have the last word.

As the Prime Minister entered his car, they hoisted a home-made placard which proclaimed, "Good Old Jim and Denis — They Can Afford Socialism."

● The present election should be the last run under the existing "first-past-the-post" system, the Campaign for Electoral Reform demanded yesterday. It called for proportional representation to replace the present "unfair and discredited electoral system."

Lord Harlech, launching the all-party reform "manifesto," said reform should have top priority in the next Parliament.

SNP lose plea for injunction

BY JOHN LLOYD

THE Scottish National Party yesterday lost a court action which would have given its spokesmen equal television time with the three main UK parties.

A demand for an injunction against the Independent Broadcasting Authority was rejected in the Court of Session in Edinburgh. Costs were awarded against the SNP.

The judge, Lord Robertson, said that if the Order had been granted, it would have hindered the IBA from carrying out its statutory duties. The party is considering making an appeal.

Price Commission's fate in balance

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE IRONY of the campaign debate over prices—which Labour thrust forward yesterday as one of the key issues of the campaign—is that whichever party wins the election, the much-maligned Price Commission will almost certainly cease to exist in its present form.

The Conservatives have made no secret in the past of their absolute desire to abolish the Price Commission, which Tory leaders have described as a "mafia-like Star Chamber."

Although the cautious campaign approach is to talk about a "review" of the Commission, along with other Government agencies, there is little doubt that the Price Commission would be scrapped by a Tory Government—and at the earliest opportunity.

Labour also has plans to scrap the existing Price Commission—but before the business world starts rejoicing it should be pointed out that these are long-term plans aimed at strengthening the Commission and Labour's whole competition policy.

In the short-term, Labour plans to give the existing Commission certain new powers—including the power to reduce prices which have been given as an interim measure, certain areas at present exempted such as air fares, and the power to investigate the reasons why some companies achieve a higher than usual return on capital.

But in the longer term, a new Labour Government would eventually merge the existing Price Commission with the Monopolies and Mergers Commission to spear-head a tougher competition policy.

The Conservatives would not rule out an interventionist role in keeping price rises to a minimum. After their review is complete, they would probably give an enlarged Office of Fair Trading the job of examining "unfair" or "excessive" price rises.

The basic difference in approach between the two political parties, therefore, seems not so much to be one of whether there should be intervention over prices and competition, but when such competition should be made.

Both parties appear to agree that the best method of restraining unnecessary price rises in the long term is by means of competition.

A well-run company operating in a competitive market should charge consumers only a fair price for a product or service.

The present Price Commission has spent the past 18 months developing its techniques in analysing corporate efficiency and market competition—and using the sanction of price control to help bring about changes.

Labour's strengthened Price Commission can be expected to continue developing this policy of treating both the symptoms and the causes of rising prices.

But Labour's philosophy would remain the same: price rises would still have to be notified to the Commission and "approval" sought before they could be implemented.

The Conservatives, however, would end the system of pre-notifying price rises. Mrs. Sally Oppenheim, Conservative spokesman on prices and consumer protection, has often pointed out that price controls do little actually to contain the general level of price rises.

An invigorated Office of Fair Trading would still ensure that at least some unjustified price rises were publicised—adverse publicity being the main Tory weapon rather than controls—but it would still be up to the overall competition policy to ensure that price rises were kept to a minimum in the long term.

Again, the Tories would place a great deal of emphasis on the OFT to carry out a more aggressive competition policy, as well as sharpening up the Monopolies and Mergers Commission by, for example, speeding up the length of some investigations. At present, MMC investigations usually take at least two years.

But both Labour and the Conservatives would probably adopt a similar line on competition policy: both endorse a tighter control of restrictive trade practices—such as price-fixing cartels—and both would expect to take a more critical look at mergers. However, within this broad framework of agreement, there are many differences of detail.

The Conservatives remain on the defensive about exact details of their price and competition policies but have switched to the offensive over the nationalised industries. The OFT would probably be given the power to refer monopoly practices in the nationalised industries to the Monopolies Commission.

The OFT would also be asked to scrutinise price increases by the nationalised industries.

Labour's approach to the nationalised industries would be to increase consumer representation on the governing bodies—thus giving the consumer an effective voice in pricing and policy decisions.

Mrs. Oppenheim, however, does not favour board-level consumer representation since she believes this would have the effect of "muzzling" consumer power. Instead, the checks on the nationalised industries' monopoly power should come from outside, such as from the OFT and Monopolies Commission, although the National Consumer Council could play an increased role in advocating the consumers' interests within the nationalised industries.

Steel 'feeling lonely on centre ground'

BY JOHN HUNT

MR. DAVID STEEL, the Liberal leader, argued yesterday that if anyone was occupying the centre ground in the general election campaign it was his party.

He was taking up the remarks by the Prime Minister the previous day when Mr. Callaghan maintained that Mrs. Thatcher, the Conservative leader, had moved so far to the Right that Labour was now the centrist party.

"In fact, I am feeling rather lonely on the centre ground," said Mr. Steel at his daily press conference. "The Conservatives have departed from it. Mr. Callaghan is making an effort to occupy it."

But, he said, Leftist elements in the Labour Party were preventing Mr. Callaghan from doing so.

The Left wing had been muzzled for the present but if Labour was returned to power it would not be the Government that would occupy the centre—it would be the extreme Left.

He said that Mr. Callaghan had kept the "loony Lefties" well under control for the election but had given them full rein to attack the Common Market.

"This is a mischeivous and short-sighted tactic," he went on. "The Community is the only practical framework for Britain's ailing economy."

Mr. Steel also attacked Mrs. Thatcher and said that she had repeated "her notorious language on race" during a phone-in the previous day.

"Can she not imagine how the word 'swamped' must sound and feel to an unemployed black teenager faced by the unfriendly pressures of our society?" he asked.

Like the Bourbons, the Tory leader learned nothing and forgot nothing.

NF seeks 'new type of man'

By John Lloyd

THE National Front, which will field around 300 candidates in the General Election, launched a lengthy manifesto yesterday which laid greater stress on national resurgence than on the party's better known racial policies.

The economic policies outlined in the document—"It's our country: let's win it back"—concentrate on the need to create British enterprise protected by import controls, and are hostile to both multinationals and export of capital.

The party emphasises that it is "principally one of private enterprise," but is prepared to borrow from "socialist doctrine" the concept that "economic activity must be regulated within the bounds of public interest and planned for the purpose of national development."

On race, the National Front repeats its pledge to repatriate, by law "all coloured immigrants and their offspring." The manifesto claims that such repatriation would alleviate the suffering of "the non-white people condemned to live in an increasingly hostile Britain."

However, the National Front emphasises that policies are not sufficient: a "new type of man" must complement them, "a type of man in which there is a fine balance of knowledge, intellect, character and will, combined with the moral and physical stamina to work for aims only realisable through years of toil and struggle."

"This new type of man must be capable of deeds of heroism, as he must believe in the ideal of heroism," says the manifesto.

● The Anti-Nazi League yesterday announced that it would issue 8m leaflets headed "Danger — beware this poison" to combat the National Front's election campaign.

Mr. Peter Hain, the League's chairman, said that pickets would be out in force at Front meetings. "We are not prepared to use violence, but we hope to be there in such large numbers that the meetings will not take place."

Logical approach

THE International Logic Party has invited all the UK political parties to "stabilise and build their day-to-day policies on Logic's profound principles."

These are based on the unlocking of unused mental resources. "Positive expression of individual mental capacity" will then eliminate inflation, taxation, unemployment, poverty and violence.

Wealth tax angers farmers

BY CHRISTOPHER PARKES

THE WEALTH tax proposed in the Labour Party manifesto and backed by the Liberals would "wipe out" at least 5,000 large-scale farmers in Britain and "very grievously affect" a further 30,000, Maj. "Lem" Gibson-Fleming of the Country Landowners' Association, claimed in London yesterday.

Ultimately, he said, the tax would lead to nationalisation of farmland, increased bureaucracy, loss of agricultural efficiency, erosion of individual freedom and more expensive food.

The Government had been "*bellyaching*" *about the cost to* the European Community of small, inefficient farms in France and Germany but seemed set on reducing British agriculture to a comparable level, he said.

The association has calculated that the tax would absorb the entire gross profits of all owner-occupied farms covering more than 500 acres.

Basing its figures on the rates of tax recommended in the Labour Government's Green Paper, the CLA claimed a 100-acre farmer would pay £200 a year.

A man with 250 acres would have to find £4,000 out of a net incomeof just over £8,000 a year, while a 500-acre farmer with an average net income of *some £12,000 would have to pay* £16,000.

A man with 1,000 acres and a net income of £16,500 would be levied £41,500.

Conservative tide threatens to engulf E. Anglia

BY PHILIP RAWSTORNE

IF THE Conservative tide is running as strongly as the pollsters' plumb-lines suggest, the party should engulf East Anglia.

The political map already shows most of the area inundated bya sea of blue. Labour is marooned in the cities of Ipswich and Norwich. The Liberals cling precariously on the Isle of Ely.

Yet these political atolls may prove more resistant to the national current than many a safer looking haven.

Ipswich is statistically the most vulnerable: a shift in votes of only 1.3 per cent would sweep the Tories into power.

But the city has a strong nonconformist tradition—it even once employed a public preacher to stiffen its dissent. Its response to political dogmas is still unpredictable enough to compel caution.

Conservatives were surprised to win the seat in 1970: Labour was amazed by its failure to regain it in February, 1974.

Mr. Ken Weetch, the Labour moderate who took it at the second attempt in 1974, hopes that he may benefit this time from the city stubborn streak.

By common consent, he has been a good constituency MP and it is that virtue which is now stressed in his election address. "Ken Weetch has personally helped some 4,000 Ipswich families . . . continually and successfully fought for Government investment in Ipswich, jobs, homes and hospitals . . . and to get Ipswich its by-pass."

From his committee rooms in Silent Street, not much emerges about other blessings that may have flowed from a Labour Government or are now *promised by its manifesto.* Not that Ipswich appears to have any particular cause for grievance over the past few years.

Once written off as "a town without people, a river without water, and streets without names," many believe it is now poised to regain a prosperity and commercial importance it has not enjoyed since the days of the mediaeval wool trade.

The city's industries are solidly based, its docks revived. Service industries have grown rapidly in the past decade. Around the ornate plasterwork of its Ancient House, symbol of another heyday, the streets bustle with renewed purpose.

Ipswich has achieved an economic stability that Labour, encouraged by a council by-election victory last month, believes may be reflected politically.

The local party has a sympathetic reputation, holds a moderate line and is efficiently organised, but the phlegmatic Ipswich voters still keep them guessing. "They neither blow *hot nor go cold,*" *says Mr.* Weetch.

The Conservative guess is that they are warming to the idea of radical change personally offered by Mrs. Margaret Thatcher yesterday. Mr. Robert Erith, the Conservative candidate, enhances the appeal by blending it with a sense of continuity that should reassure the cautious.

He speaks well of Mr. Weetch—"I would work for the benefit of Ipswich just as he has done"—and emphasises his local connections. He was born and educated locally and now works *in Ipswich as a stockbroker.*

This is his first election campaign but he handles it well, his quietly-spoken and thoughtful approach softening the more abrasive edges of his party's policies.

Memories of the winter's disruption have not gone with the spring, he says. Labour disillusionment still hangs over the doorsteps. There is a wakening interest in the prospects of securing union reforms, tax cuts, and an altogether different advance to the country's problems.

At this stage in the campaign, Mr. Erith counts nothing for certain except that the Liberal vote of more than 8,000 will be halved.

The Liberal Party's historical affinity with the area has certainly been progressively weakened. Many Liberal voters turned to Labour between the two elections in 1974. The Tories would almost certainly reap the benefit of further desertions now.

But Mr. Preston Keeling, the former party agent turned candidate, is convinced that there will be no more erosion of the Liberal vote.

"People here do nothing in haste," he says optimistically as he calls on the electorate to hold fast against the none-too-obvious "extremists" to his left and right.

Mr. Keeling's election address, in fact, out bids those of his rivals—more forthright than Labour in its demands for EEC reforms and industrial democracy; no less assertive than the Tories' in its calls for tax cuts, *legal safeguards and* union reforms.

On the local radio phone-in programmes, he takes a highly individual line. "People want to know what you really stand for. They like a bit of honest independence."

There are few signs to suggest, however, that Ipswich can be persuaded that its vote for a Liberal could "ensure that good sense will prevail" at Westminster.

Forty miles to the north, in Norwich, the acquisition of the Liberal vote is again a prime Conservative objective.

Although Mr. David Ennals, Social Services Secretary, rests on a comfortable majority in Norwich North, the 5,000 Liberal votes in Norwich South would, in Tory hands, be more than enough to unseat Labour's John Garrett.

The Liberal organisation behind Mr. Peter Mackintosh, the local teacher entering his first campaign, appears ill-equipped to defend even this *shrunken base against the Tory* predators.

The Conservatives, however, have to contend with a radicalism more deep-seated here than in Ipswich.

Labour has inherited this long tradition, maintaining an almost unbroken hold on the city council for more than 40 years.

Mr. Garrett defends with justifiable pride the local party's record in conserving Norwich's pictureque past while rebuilding its industrial and social foundations.

Mr. Ian Coutts, Tory candidate and leader of Norfolk County Council, tacitly recognises the difficulties of projecting the Conservative demand for change.

His appeal relies heavily on the temptations of tax cuts and council house sales, and, somewhat perversely, seeks to exploit resentments about both the recent influx of population and the city's poor external communications.

While Norwich's innate liberalism may be an obstacle to the Tories on one side of *East Anglia, the sheer* eccentricity of the Isle of Ely's Liberalism could defy them on the other.

Dr. Tom Stuttaford, who held Norwich South for the Conservatives from 1970-74, makes his second bid to oust Mr. Clement Freud.

After cutting the Liberal majority by 6,000 after a few months' campaign in October 1974, Dr. Stuttaford stands an obvious chance now, with four *years' preparation, of winning* the seat.

The Tories protest that Mr. Freud does not fight a political campaign.

He has held the seat, as he won it in a 1973 by-election, by successfully relating his own idiosyncratic personality with the constituency's quirky character.

The affinity may still be too close to be broken. But Dr. Stuttaford offers a robust, if less unorthodox, alternative if Ely should have any incipient regrets about its Freudian slip.

IPSWICH

October 1974 result: K. T. Weetch (Lab), 31,566; E. D. Money (C), 29,833; R. B. Salt (L), 8,295. Lab majority 1,733.

1979 candidates: K. T. Weetch (Lab), Robert Erith (C), P. Keeling (L).

NORWICH SOUTH

October 1974 result: J. L. Garrett (Lab), 16,590; Miss M. Tomison (C), 13,185; P. G. Smith (L), 5,249. Lab majority, 3,405.

1979 candidates: J. L. Garrett (Lab), Ian Coutts (C), P. Mackintosh (L).

ISLE OF ELY

October 1974 result: C. R. Freud (L), 22,040; Dr. L. T. Stuttaford (C), 19,355; M. Farris (Lab), 11,420. Liberal majority, 2,585.

1979 candidates: C. R. Freud (L), Dr. L. T. Stuttaford (C), Colin Saunders (Lab).

Friday profile: BEES TOW.

Tories pledge tax cut to less than 30p

BY PAUL TAYLOR

MRS. MARGARET THATCHER, the Conservative leader, disclosed for the first time yesterday the level of income tax cuts that a Tory Government would seek.

She suggested it would eventually want to reduce the basic level of tax below 30p in the pound and the top rate to the present European average of 57p in the pound.

Speaking at the Conservative Party press conference in London, Mrs. Thatcher was pressed to go into detail on the Tory pledge to reduce basic and higher tax rates substantially in addition to raising the tax *threshold levels.*

She replied that Lord Barber, Chancellor in the last Conservative Government, had left the basic rate at 30p in the pound and added that "naturally, we would like to do better than any previous government."

Reducing the top rate to 60p *in the pound would cost about* £400m. a year, she said. However, that might be only a nominal cost because of the expected reduction in tax avoidance and "*moonlighting*" and the return of high salary earners to Britain.

Sir Geoffrey Howe, Shadow Chancellor, spelt out why the *Conservatives had promised to* reduce income tax, and how the reduction would be paid for.

A reason for Britain's poor economic position, he said, was the high tax on earnings.

He contrasted the tax position of a British married man with two children earning £50 a week paying 39.5p in the pound tax and national insurance with workers in other countries. In West Germany, that tax rate would only be paid by a worker earning more than £300 a week; in Canada more than £500 a week; and in France, £800 a week.

Income tax had to be cut to encourage people to work harder, to start businesses and even to stay in Britain at all. Sir *Geoffrey dismissed Labour* pledges to cut income tax. Only a Conservative Government would do anything "really substantial and worthwhile," he said.

He attacked Labour's record on taxation, saying that instead of reducing direct taxes during the past five years, the Government had increased the rate of tax on earnings by 4p in the pound and millions of people had been brought into the tax brackets.

A Conservative Government, Sir Geoffrey promised, would "cut, and cut substantially, the basic and higher rates of income tax and raise, and raise substantially, the level at which people start paying income tax."

The Tories *were determined* to spend less of the taxpayer's money and were ready to raise *spending taxes, such as* value-added tax, on non-essential items to pay for the change. Indirect taxes make "much more sense," than taxing earnings, he said.

Higher VAT would not affect items such as food, fuel, housing, public transport and children's clothes and shoes. Mrs. Thatcher, asked about the effect of switching the emphasis of taxation from direct to indirect taxes on prices, promised that the Conservatives would end a five-year term in government with a better record on prices than the present Labour Government.

Sir Geoffrey also repeated the promise to increase pensions and other benefits to take account of price rises.

Mrs. Thatcher, pressed on whether pensions would also be made to keep pace with earnings, if those rise faster, was careful in her choice of words.

She promised that pension increases would take account of price rises but added that the Conservatives in government *had always increased pensions* by more than that minimum.

Turning to the National Health Service, Mrs. Thatcher attempted to counter some of *the "scares and smears"* that she said Labour had been raising against Tory policy.

She repeated that a Conservative government would maintain the level of expenditure on the service, although some resources might be switched, in particular away from administration.

Labour's *scares* on health service charges were "utterly false, callous and inhuman," she said.

Mrs. Thatcher hedged on higher prescription charges. It was not her intention to raise prescription charges but she added that no "responsible government" could say what it *might have to do over a five-*year period.

However, Mrs. Thatcher was more definite on suggestions that the Tories would impose *hospital charges and charges for* visiting the doctor.

She denied that there was any intention of putting on charges for hospital visits and added that *there* could be no charges *for* "responsible" visits to the doctor.

Sir Keith Joseph, Conservative industry spokesman and leading policy maker, said that all the exceptions to charges for the elderly, children, disabled and chronically sick would stay.

In answer to Mr. Callaghan's assertion that the Conservatives had deserted the middle ground in the political spectrum, Mrs. Thatcher said that if the Prime Minister's idea of the centre ground was backing the recently selected Left-wing candidate for Newham, *North-east, then he* was "welcome to it."

Plaid offers 'sharp spur' to defend Wales

By Robin Reeves, Welsh Correspondent

WALES NEEDS the "sharp spur" of more nationalist MPs *to ensure the needs of Wales* are taken seriously, Mr. Gwynfor Evans, Plaid Cymru's president, said in Cardiff yesterday.

Launching the party's election manifesto, Mr. Evans said its track record since 1974 showed Plaid could be *relied on to do* its utmost for Wales.

"The Labour Party's track record shows one cannot depend on it to act for Wales without *the sharp spur of a Welsh* national party which threatens or wins its Parliamentary and local government seats," he said.

The plan includes the draw*ing up of an economic strategy* for Wales, manpower planning, a more interventionist Welsh Development Agency, a halt to further Welsh steel plant and colliery closures unless coal reserves are exhausted, the introduction of a national minimum wage, and the creation of a regional mechanism in price control policies.

Plaid is contesting all 36 Welsh seats. In spite of the referendum result, it is expected to hold its three seats, but its ambition at this election is to replace Labour in Anglesey

The style of a special candidate

BY RICHARD HALL

THE NICETIES of being an ex-Premier at the hustings are rather different for Mr. Edward Heath and Sir Harold Wilson. For both, however, their constituencies, where they are still lords of all they survey, are the cosiest places to be.

Half a bitter in hand, Mr. Heath circulates among the respectfully questioning groups in *what he calls, with a jocular* air, the "poshest pub in Bexley."

At Huyton, Sir Harold exchanges greetings with after*noon shoppers: "Seen you* before," he says, left and right. "How are you keeping?"

He tells someone who complains of her arthritis that his *mother suffered from* it, *too.* "Yes, Mary's well," he replies. "She'll be here next week."

As soon as he is up North, Sir Harold's accent seems to grow suddenly stronger.

Party officials display a similar superiority in both towns, but theirs is no ordinary candidate. They like to joke with the escorting detectives and listen for anecdoes of Downing Street.

Apart *from obligatory eve-of-*poll rallying calls, neither erstwhile maestro will extend himself on needless rhetoric in his own constituency, which *each has held for almost 30* years. Mr. Heath, however, gave a flaccid address this week in an isolated hall behind an arterial road in Bexley.

Sir Harold toured the Huyton clubs in the evening. "I've spoken *to a thousand people* already," he says with a statistician's pride; but he is more vagueon the issues the voters bother about. "Unemployment *was raised at constituency meet*ings,' he admits.

Indeed, there seems little more political ferment in working-class Huyton, although it is on the *fringe* of depressed Liverpool, than in suburban Bexley-Sidcup. So Mr. Heath and Sir Harold will both feel *free to campaign* round the country.

"I shall be talking about the realities of public expenditure," Sir Harold says briskly. But he looked older than his 63 years, shoulders more bent.

Mr. Heath's countenance, suntanned from his Easter sailing, is expressionless when you ask him whether the voters want to know how he relates to Mrs. Thatcher in these days.

"No, they don't ask me about that," he says.

Then, as he strides off towards *an acquaintance near* the bar, he throws an aside: "But I won't tell you what they say on the doorsteps."

Terry Kirk — Roger Taylor

Sir Harold Wilson, left, meeting his constituents in Huyton yesterday as Mr. Edward Heath takes a break *from campaigning in Bexley, Sidcup.*

ON THE STUMP

Callaghan accused on attitude to EEC

By Paul Taylor

MR EDWARD HEATH accused *the Prime Minister* yesterday of making Europe a "scapegoat" for the Government's failures.

However, Mr. Heath said that he still believed that, in spite *of some criticisms, the electorate* does not want Britain to leave Europe or see the Community destroyed.

Mr. Heath, speaking in Ports*mouth, described* Mr. Callaghan's tactics on Europe as "utterly unscrupulous and immensely damaging to the national interest."

The Government's "so-called renegotiation" was completely fruitless, the former Prime Minister said. He added that Mr. Callaghan's activities had resulted in a "deep-seated contempt for the Labour Government throughout Europe.

Mr. Anthony Wedgwood Benn, Energy Secretary and Mr. John Silkin, Agriculture Minister, had blocked "almost every positive initiative the Community had *attempted to take in relation to* Britain."

Mr. Heath said that it was a "tragic commentary" on Mr. Calaghan's brand of leadership *that he had cosen to fall in with* opponents of the EEC, who wanted to destroy the Community

Inflation rise threat

BY DAVID FREUD

THE RATE of retail price inflation would rise by about 2 percentage points if an incoming Tory administration translated its proposed income tax cuts straight into increases in value-added tax.

Mrs. Thatcher's aim to cut the standard rate of income tax from its present level of 33p in the pound would cost about £400m for each penny reduction. Thus to bring it below 30p—say, 29p—would cost some £1.6bn in terms of revenue *foregone.*

These figures are based on *the Treasury's tax "ready* reckoner" released in March and are at 1978-79 income and price levels. Up-to-date estimates of changes in the 1979-80 financial year would probably show revenue loss of about an additional 10 per cent.

The Tories also say that it *would cost* a further £400m to bring down the top marginal rate of tax from the present 83p in the pound to *57p*, the European average.

There is also support for the Tories' argument that cuts in the higher rate bands might in the longer term cost very little in net revenue *terms as high income earners* returned to Britain and the incentive to use avoidance schemes was diminished.

On balance, therefore, the Tory plans to cut income tax might *cost anything between £1.6bn and £2bn in 1978/79* revenue. The Conservatives say that some of the shortfall will be matched by public spending cuts.

A Parliamentary written answer by Mr. Robert Sheldon, Financial Secretary to the Treasury, in November stated that a unified rate would have to be set at 12½ per cent to raise £1.8bn. The effect on the Retail Price Index would be to add on 2½ per centage points.

A single rate VAT at 10 per cent would raise £700m, and add *0.8* points *to* the retail price index.

Unionists open battle

BY STEWART DALBY

ULSTER'S UNIONIST parties officially got off the mark in their election campaigns yesterday with the publication of the Official Unionist Party's manifesto, an address by Mrs. Anne Dickson, leader of the Unionist Party of Northern Ireland (UPNI); and a Press conference by the Rev. Ian Paisley, leader of the Democratic Unionist Party (DUP).

The Official Unionists called for a devolved parliament, provided that it did not weaken the link with Britain. They were in favour of the Conservatives' plan for one or more regional councils with majority rule.

They criticised British membership of the EEC on present terms. On security, they felt that local security forces such as the Royal Ulster Constabulary and the Ulster *Defence* Regiment should continue to be built up until the Provisional IRA is defeated.

Mr. James Molyneaux, Parliamentary leader of the Official Unionist Party, who launched the *manifesto, felt* that the Province's chances of getting a devolved parliament were better under Labour than under the Conservatives. The Conservatives firmly opposed devolution.

Mr. Molyneaux said that the *Official Unionists* would enter no formal coalition with the main parties if the next Parliament turns out finely balanced.

Mrs. Dickson said that her party, that of the late *Mr. Brian* Faulkner, wanted a tougher line on security and *felt* that the Government in Dublin should do more to prevent the Republic becoming a sanctuary for IRA fugitives.

Stricter security was emphasised also by Mr. Paisley.

He *said* that he favoured putting Ulster on a complete war footing until Republican terrorism had been defeated.

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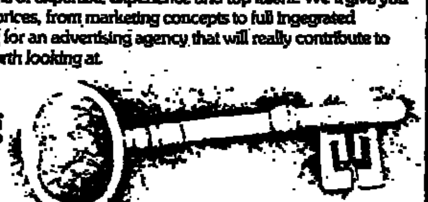

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UNIVERSITY OF WARWICK

PROFESSORSHIP OF OPERATIONAL RESEARCH

Applications are invited for the post of Professor of Operational Research in the School of Industrial and Business Studies tenable from 1st October, 1979. Salary in the Professorial range (minimum £9,443 p.a.—under review). Further details from the Academic Registrar, University of Warwick, Coventry CV4 7AL, to whom applications (3 copies) should be sent by 18th May, 1979. Please quote Ref. 34/4A/79.

Marketing & Sales Manager

for a long established company with an international household name and a seven-figure turnover from the manufacture and sale of consumer products which are principally marketed through the grocery trade. The Manager will be responsible for the formulation, implementation and continuing development of marketing policies and sales objectives.

Candidates, aged probably mid to late thirties, must have gained experience of both marketing and sales of fast moving consumer goods through grocery outlets in a sophisticated marketing environment. The emphasis of the appointment will be on the marketing abilities of the candidate, who will be required to identify new market opportunities resulting in the profitable expansion of the business.

Salary is for negotiation around £12,000 plus car and normal benefits. Location southern Home Counties.

Please telephone (01-629 1844 at any time) or write—in confidence—in the first instance for a personal history form. P. Hook ref. B.1231.

This appointment is open to men and women.

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Having recently installed a computer for the first time—an ICL System Ten—a management information and accounting system is being developed in conjunction with Dataskil, the first stage of which is currently being implemented. This development could include involvement with word processing systems, further distribution of the existing systems etc.

It is preferable that applicants (probably in their mid 20's to early 30's) should have experience of small systems and a knowledge of insurance or reinsurance would be a distinct advantage. It would be useful to be acquainted with basic O & M techniques.

The salary will reflect the importance of the position and other attractive benefits will include the provision of a company car at an early date.

This is an ideal appointment for a person capable of working on his/her own initiative and wishing to become an integral part of a professional management team.

If you feel you have the professional expertise and ambition to fill this position please write enclosing curriculum vitae to Michael Simmonds, FCA, Greig Fester Limited, Regis House, 43/46, King William Street, London EC4R 9AD.

£20,000 p.a. tax free

Financial Manager

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Building Group

Qualified accountant (ACA, ACMA, ACCA). Male age 35 plus. Financial management experience with building contracting company including preparation of tender documents essential. Ability to set up full accounting and control systems budgets and financial planning procedures. Previous overseas experience would be an advantage. Stable, self reliant, resourceful and hardworking man with business acumen and ability to train local staff. Excellent fringe benefits include free furnished accommodation, performance bonus, company car, medical cover and generous leave arrangements.

Suitably qualified candidates please phone 01-493 7117 for application form quoting MRD 9111 (24 hour answering service).

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to £15,000 + Car

A Chartered Accountant with a top audit firm training and experience of very tight financial and accounting control gained in line management in the service sector or a highly organised large volume manufacturing organisation is required for the top financial position in a major multi-branch service operation whose rapid growth is being backed by a large prestigious parent Group and a capital expenditure programme which in the short term approaches £100 million. The brief is to take charge of and refine the financial controls over day-to-day operations, extend them to new units as they come onstream and to play an active part in the forward planning and control of the expansion programme.

The eventual size of the operation and its long term expansion potential offers considerable career opportunities to the successful applicant.

The position will be based in the Home Counties with relocation assistance available as necessary.

Please write in confidence by first class mail, to B. H. Mason at John Courtis and Partners Ltd., Selection Consultants, 78 Wigmore Street, London W1H 9DQ, quoting reference 671/FT.

JC&P

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The person we are seeking is likely to be aged between 20-24, with a positive attitude and a sound knowledge of the market. Prospects and benefits are those associated with a major firm and are attractive, negotiable, salary will be offered. Further details may be obtained, and an interview arranged, by writing in confidence to:

Gerry Risdon, Administration Partner,
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The Stock Exchange, London EC2P 2JT.

A company with modern offices in Mayfair is offering a lucrative possibility to a

COMMERCIAL ASSISTANT

with knowledge of the Greek language.

Applicants are requested to send full particulars including salary required to Box A.6736, Financial Times, 10, Cannon Street, EC4P 4BY.

Area Marketing Director

Europe

Our client is a British pharmaceutical company with a vigorous development programme and existing marketing arrangements in various territories based on agencies, branches, joint ventures or other special situations. It has evolved a business strategy for Europe and to implement the strategy, co-ordinate resources and direct its local managements, it wishes to make this senior appointment. Extensive visits to territory are required from the UK base.

Candidates, preferably aged 40 to 45, should have mature management or international marketing management experience in prescription pharmaceuticals in the territory concerned. An appropriate second language is required.

Starting salary negotiable around £14,000, plus significant allowances/benefits. Car and usual additional arrangements.

Please write with relevant career/salary details—in confidence—to S. W. J. Simpson ref. B.38315.

This appointment is open to men and women.

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هكتاب التجول

EMA

TREASURER

Surrey **to £10,000**

Responsible to the Group Financial Controller and leading a small team, the Treasurer will develop the company's cash management and exchange control procedures, introducing regular reporting and controlling foreign exchange exposure. He or she will liaise with banks and finance houses to ensure that the most effective use is made of available borrowing facilities.

A major international group manufacturing and processing high value commodities, our client is highly profitable. The European headquarters in Surrey controls a turnover exceeding £200 million. Applicants should ideally be qualified accountants or have relevant treasury or banking experience and be aged under 35. Please telephone or write to Stephen Blaney B.Comm., ACA, quoting reference I/1810.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

EMA

CHIEF ACCOUNTANT

West End **c£11,000+car**

The Chief Accountant will be responsible to the Group Financial Controller for the production of timely consolidated management information, and for the sophistication of a system which is at present being developed using a versatile computer package. Responsibility also covers year end financial and statutory returns.

Our client is a multi-national public company with a consolidated turnover in excess of £70 million from a variety of industrial services. Applicants (male or female) should be qualified accountants aged 30-35 with experience in a commercial environment. Please telephone or write to Stephen Blaney B.Comm., ACA quoting reference I/1815.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

Marketing Director

Engineering **c. £14,000 + car**

This position is responsible for both UK and overseas sales and marketing in an established engineering company. Sixty percent of the £20m plus sales turnover is earned abroad.

The opportunity is here for a successful Product or Marketing Manager with experience in the engineering industry, probably in the constructional, agricultural or industrial equipment or a similar field, to take on Board level responsibility in a company committed to new product and marketing development. This is not a sinecure for the manager who has reached his or her peak but a real challenge to the performer who, at 35-45, knows how to squeeze every ounce of potential from existing products and who has the flair to generate viable products which will fill marketing 'gaps' profitably and work actively alongside the engineering function.

A qualified engineer yourself, probably mechanical, you will have direct experience of selling (including export) as well as a thorough knowledge of marketing research, promotional and advertising techniques. The department for which you will be responsible has a well-developed sales function but needs development in marketing.

The post carries a salary of around £14,000 although this is open to negotiation. Excellent benefits include a company car and assistance with relocation to East Anglia.

Ref: K7949/FT.

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874

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ASSISTANT INVESTMENT MANAGER

Capel-Cure Myers Ltd. requires an Assistant Investment Manager for the Private Client Department in their Edinburgh Office. He or she will be required to maintain a large and expanding client connection and, whilst reporting to the Investment Manager, also be capable of managing clients' portfolios with a minimum of supervision.

The successful applicant will probably be aged at least 25. Experience in the management of private client investment portfolios and the ability to communicate and build up enduring business relationships with a wide variety of clients are essential qualifications. The vacancy could suit a stockbroker or investment manager seeking more responsibility or wishing to work in Scotland.

Interviews can be arranged in Edinburgh or London. In the first instance please send brief details of career to date or telephone:

The Personnel Manager, Capel-Cure Myers Limited,
Bath House, Holborn Viaduct, London EC1A 2EU.
Tel: 01-236 5080 or 031-225 2171.

Investment Manager

Henderson Administration seeks an additional Investment Manager to work on the U.K. side of its investment department in which the funds are expanding rapidly.

The right candidates will probably have a good degree or equivalent professional qualification and should also have at least two years investment experience.

Candidates should be in their mid to late twenties, be ambitious, decisive, hard-working and able to get on with people. The position is an important one and the salary and benefits will be competitive.

Please reply in your own handwriting, giving full details of your background and experience, to C. G. Clarke,

Henderson Administration Limited

11 Austin Friars, London, EC2N 2ED.

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A leading International Consulting Firm invites applications from candidates with suitable professional qualifications and a minimum of seven years' relevant experience in one or more of the following fields:

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Permanent London-based appointments will be offered, but candidates must be prepared to travel overseas, principally to the Middle East and Africa. Previous experience in developing countries is desirable. Previous employment with a consulting firm would be an advantage.

Applicants are expected to provide evidence of competence in the preparation of reports. Fluency in English is essential, and a knowledge of Arabic or French would be useful.

Salaries will be in accordance with qualifications and experience.

The positions offer attractive working conditions and benefits, including four weeks' annual holiday, company pension scheme, free private medical and hospitalisation insurance, luncheon vouchers, and incentive allowances for overseas visits.

Applications should be submitted by 25 May, together with a current curriculum vitae, telephone number and examples of recent written work, to:

Dar Al-Handasah Consultants
(Shair and Partners) (U.K.) Ltd.
91 New Cavendish Street
London W1M 7FS

COMPANY SECRETARY

for

LLOYD'S BROKERS

Old established, rapidly expanding firm concentrating on the substantial business emanating from world-wide markets, with restricted specialised staff working on an extremely high profit ratio, with the highest average salaries in the Industry, actively pursuing acquisitions, requires QUALIFIED ACCOUNTANT as Company Secretary.

Candidates, aged between 28 and 40, must have had previous experience in the Lloyd's field: be fully conversant in the running of an Accounts Department and in the handling of Overseas Currencies: be people of some presence, and capable of investigating the accounts of other Companies with the aid of the appointed Auditors.

Duties include the preparation of interim and final balance sheets, provision of running statistics, handling of investments, budgeting, advising Management of the impact of new legislation and supervision of all internal office requirements reporting directly to the Joint Managing Directors.

Only persons presently on high salaries, in current employment, with strong loyalty records should apply as this is an appointment where there is no stinting on reward, where a share in continually increasing profit is offered, in a Group where equity shares have been allocated to a number of long-standing employees and where the successful candidate must be able to play an important part in a progressive team.

Details in the strictest confidence to Box A.6740, Financial Times, 10, Cannon Street, EC4P 4BY.

The Drapers' Company

Applications are invited by 1st June, 1979, for the post of Clerk to the Drapers' Company.

The Clerk is the senior administrative officer and will be required to devote his/her whole time to the duties of the office.

Starting salary as Clerk will be in the region of £15,000 per annum, according to qualifications and experience.

Applicants should be preferably between 45 and 55 years of age.

The person appointed will be required to join the staff on 1st March, 1980, and to succeed the present Clerk on his retirement on 31st July, 1980, and will be eligible to join the Company's approved non-contributory pension scheme.

A statement of the Clerk's duties and a form of application may be obtained from the Clerk to the Drapers' Company, Drapers' Hall, Throgmorton Street, London, EC2N 2DQ.

NPA

F/X & Treasury

Corporate Development

Our Client is a prominent and highly-regarded International Merchant Bank enjoying an excellent reputation for the quality and efficiency of its foreign exchange and money market activity.

The bank's current plans call for an executive to assume responsibility for the development of foreign exchange and treasury activities with its corporate clients. Ideal candidates will be in their late 20's and possess strong dealing experience and a keen awareness of the underlying influences affecting the international markets.

This is a challenging and developing career opportunity which carries a five figure salary and attractive benefits to match the significance of the appointment.

Contact Norman Philpot in confidence on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside London EC2 Telephone 01 248 3812/3/4/5

DIRECTOR OF BROKERAGE SALES

Perhaps we're breaking with tradition by runninb an advertisement which isn't "blind" but we've never been much for going blindly with tradition. Frankly, we're proud of who we are, what we are and what we plan to become in the U.K.

We are a British Life Assurance Company with U.S. roots and a U.S. parentage which has very impressive "branches" in over 50 different countries. These sister companies all have one thing in common—giving the best in service at a reasonable cost.

We're looking for an individual, age range 30's or 40's who knows the U.K. Brokerage Market, someone who is ambitious and who isn't wearing a traditional strait-jacket regarding all those things which can't possibly work here." A willingness to tackle new problems with originality is essential. We're willing to pay very well for performance, can offer a bright future and expect the individual we seek to have an international outlook and orientation as well as being willing to get actively involved in building a successful Brokerage Operation.

Our parent is Transamerica Corporation, an international organisation with assets in excess of 5 billion dollars, which owns such outstanding companies as:

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The U.K. Brokerage Market is one of the finest and most highly developed in the free world and we feel we have something signficant to offer in the way of innovation, flexibility and service. The winds of economic change have influenced insurance markets in many different countries over the last few decades and in other countries we have always been in the fore front in ensuring that these changes have been constructive and beneficial.

Now we're looking for someone to help engineer those changes here; someone interested in a truly unique and challenging experience; someone interested in making things happen and in making a great market even more responsive to changing needs.

If you'd like to explore the situation further write in complete confidence to:

T. F. De Vore, Managing Director,
2 Bream's Buildings, London EC4A 1NU.

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American Express Company require Senior Bank Auditors to join their Corporate Audit Department as a result of internal promotions. Successful candidates will become part of a professional team where promotion is based on recognition of expertise and flexibility. A high degree of mobility is required as the positions involve at least 80% travel throughout Europe and the Middle East, with concomitant tax advantages.

Applicants should possess a thorough knowledge of international banking operations and accounting. A professional qualification in banking or accounting, or a University degree is desirable, as is experience in managing a small, resourceful department or project team. A premium is placed on communicative skills and organisational ability.

Applicants ideally aged 25-35 should write giving details of career to date to Roger Brown, Personnel Manager, American Express, Amex House, Edward Street, Brighton BN2 2LP.

AMERICAN EXPRESS

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The Océ success in Europe results from the unique design concepts of the products which are manufactured by Océ in Holland. New products are now being introduced and will further increase market penetration in the U.K.

THE JOB

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To continue the growth in placements of the Océ Plain Paper Copier range to large organisations. It entails the ability to sell the Océ philosophy, and the advantages of the product range both verbally and in writing to all levels of management. Knowledge of the copying market is desirable but not obligatory. Self motivation and maturity to manage all aspects of the job are essential. For sales representatives, without major account experience, there will be a development programme prepared specifically for the major account environment.

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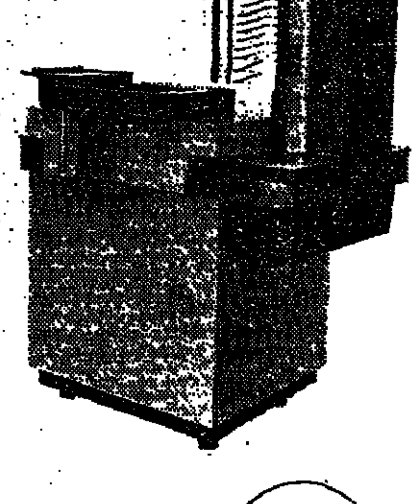
To develop your career in a growing organisation and attain a very attractive remuneration package.

Ring T. K. Clapp on 01-405 8494 for an immediate appointment or apply in writing to:— T. K. Clapp, Sales Manager, Océ Skycopy B.V., 4-12 New Oxford Street, London WC1A 1EG.



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MERCHANT BANKING

S. G. Warburg & Co. Ltd.

We are seeking a senior executive to manage our Internal Systems Department. He or she will be responsible for the Bank's internal systems, financial controls and the development of future computer applications.

The successful applicant will probably be a qualified accountant, aged between 30 and 40, with good experience of computer and management systems gained in a financial or commercial group or a major firm of consultants. A practical approach and the ability to communicate well are important.

The appointment carries an excellent remuneration package and scope for advancement.

Applications, enclosing a concise curriculum vitae, which will be treated in strict confidence, should be sent to:

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A challenging role in a major growth company

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We invented the mini-computer and now lead the world in its manufacture and marketing. We're a young, successful, informal, but highly professional company with an enviable rate of growth. This means that financial analysis at the operational level provides a significant challenge, dealing as it does with rapidly fluctuating needs and priorities.

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The roles carry responsibility for the following:

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- Development of forecasting techniques

Obviously, this is a position which offers considerable influence in the further development of the company and our day-to-day management. Our need therefore is for a well-qualified and experienced person, probably a graduate with ACCA, ACA or ICMA plus about four years' experience.

We are offering an attractive, negotiable salary, comprehensive fringe benefits and an attractive career path. Relocation expenses will be provided where appropriate.

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digital

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South Lancs, Package negotiable c. £9,500

The objectives of this exciting new role in the most rapidly expanding part of a major international group, are to optimise operating performance and cash flow within its member companies. This key position, reporting directly to the Financial Controller, will have responsibilities including planning and monitoring of company budgets, capital expenditure, cost evaluation projects and analysis and appraisal of company management information and future business acquisitions. Candidates, ideally aged 28 - 35, must be qualified accountants with several years varied industrial experience covering such activities as financial and profit analysis, capital project appraisal and corporate planning. They should be capable of dealing with management at all levels. There are excellent opportunities for personal and career development in this international company.

G. Sable, Ref: 29202/FT
Male or female candidates should telephone in confidence for a Personal History Form to:
MANCHESTER: 061-236 8981, *Sun Life House, 3 Charlotte Street, M1 4HB.*

Hoggett Bowers
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An International Merchant Bank-based in the City is looking for a
BUSINESS SCHOOL GRADUATE
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Please write with full career details, quoting ref. FT/218, and listing any companies to whom you do not wish your application forwarded, to Peter Phillips, Riley Advertising Ltd. Confidential Reply Service, Old Court House, Old Court Place, Kensington, London W8 4PD.

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c. $150,000+equity

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Replies, in strict confidence, to the company's advisers:
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Financial Controller

London/Brussels
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Following the introduction of a new management structure there is a newly created vacancy for a Financial Controller who will act as a financial adviser and provide financial and accounting information to divisional management. Other functions will include the provision of comprehensive budgets and control of cash flow, the supervision of capital expenditure authorisation and involvement with foreign currency exchange control transactions.
Pontinental are expanding fast and will be moving into the USA market for the first time and are also extending the number of locations in Europe. The organisation is moving forward fast and will need someone who can keep ahead rather than just keep pace.
The vacancy which is based in Central London would suit an ambitious Chartered Accountant aged 28-35 – ideally someone with previous experience in the travel trade. There will be a certain amount of travel to and from Europe with several journeys to Brussels each year.
In addition to a high salary, there will be WPA membership, a non-contributory pension, 4 weeks' annual holiday and other generous fringe benefits that one would expect from a leader in the travel industry.
Please write with full details to: R.G. Whitmore, Group Director of Personnel, Coral Leisure Group Ltd., Berkeley Square House, Berkeley Square, London WIX 5PE. Tel: 01-629 8772.

Pontinental
A Division of the Coral Leisure Group

Commercial Director

Paper and Board Merchanting
London Based

For a company which is part of a larger group and is engaged in merchanting a range of quality paper and board. Employees 500; sales over £30m. The company is divided into 13 profit centres spread throughout the UK each of which functions as a self regulating business unit.
The Commercial Director reports to the Managing Director and is responsible for implementing and monitoring the agreed sales and commercial policies to achieve budgeted profit; also for planning and directing distribution arrangements.
Applicants, men and women, preferred age 35-45, should have some experience of paper merchanting. Whilst formal qualifications are of interest the key requirement is a record of achievement as a commercial manager in a similar company with sales over £15m.
This is an important new appointment and a substantial five figure commencing salary is negotiable. Benefits, including a car, are those normally associated with a large group. Relocation expenses reimbursed. Reference 146.

Write or telephone 01-499 2215, in confidence.

Philip Egerton & Associates
Selection Consultants
178/179 Piccadilly, London WIV 0QP

JAMES CAPEL & CO.

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The team is strongly supported by our research in U.K. Gilts and Equities, plus Mining shares. Applicants should have at least two years' Stock Exchange or investment experience, and a working knowledge of French or German is highly desirable.

This position offers substantial scope for travel and for advancement within the firm. Remuneration will be commensurate with experience, initiative and ability.
Please write to or telephone:

James Joicey-Cecil,
James Capel and Co., Winchester House,
100 Old Broad Street, London EC2N 1BQ
Tel: 01-588-6010

Headquarters Accountant

Reed Paper & Board (U.K.) Ltd. has a turnover of £160m, employing 5,500 people in ten Paper Mills. The Company is a subsidiary of Reed International.

The job is to manage the Headquarters Accounts function and provide the Financial Director with expert support in specialised financial matters.

The duties of the Headquarters department are to consolidate the monthly management accounts, report on the Company's performance and annually produce the Company's statutory accounts. They are also required to account for Headquarters' costs, compare these costs with budgets which have been set in conjunction with the departmental manager and explain the significant variances. The Headquarters Accounts are also responsible for the payment of all Company purchases of pulp and, as a result, are involved in the purchase of foreign currency amounting to £30m. per annum.

The Headquarters Accountant is personally involved in the use of Bills of Exchange, contact with discount houses, and with the Company's Bankers. The position is also responsible for four people.

A mature, qualified Financial Accountant with A.C.A. or the A.C.C.A. qualification who has an enquiring mind and a deep interest in the development of Company accounts, both for the Company's needs and for the changes in legislation, will ideally fill this position. Age should be 30+.

Please write in confidence, giving career details, to:
B. M. Geddes,
Financial Director,
Reed Paper & Board (U.K.) Ltd.,
New Hythe House,
Larkfield, Maidstone, Kent.

REED GROUP
A Reed International company

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A minimum of 1-2 years' experience gained in a Stockbrokers or Merchant Bank is essential for all positions.

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Please apply in writing to
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TAXATION ACCOUNTANT
(Major multi-national Group)

CITY **to £10,000**

A young, qualified accountant with initiative and a keen interest in taxation is required by our client, a major multi-national group, for its small specialist tax team. The position entails U.K. taxation as it applies to group companies with substantial overseas earnings. There is a minimum of computation work and opportunity for tax planning and advisory work, particularly as the group is growth orientated.
This is a particularly attractive opening for an accountant with relevant tax knowledge who is contemplating a career in taxation. The position offers considerable challenge and attractive long term prospects.
Applicants are invited to write or telephone R. J. Welsh,

Reginald Welsh & Partners Limited.
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Please apply with detailed job history and photo.
Contact: Japan Convention Services, Inc.
Nippon Press Center Bldg. 2-1, 2-chome, Uchisaiwaicho, Chiyoda-ku, Tokyo 100 Japan

International Tax Accountant

Aged 26 plus
London, c. £10,000

A large International Group is strengthening its tax planning function in line with rapid recent and future expansion. This new position, within a Division with operations worldwide, offers an exceptional opportunity for a young qualified accountant, with at least one year's post qualification experience as a corporate tax specialist, to learn new skills and exercise creative ability. The main task will be to assist the Tax Manager in the development of effective tax planning within an international environment. Up to 15% of the year could be spent abroad. Prospects are outstanding.

J.A.T. Bowers, Ref: 21174/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, *Sutherland House, 5/6 Argyll Street, W1E 6EZ.*

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

ACCOUNTANT

Aggressive international freight forwarding company with offices in UK, USA and on the Continent, requires a Chartered or Certified Accountant with at least 3 years' experience, to manage its Accounts Dept. at Heathrow Airport. Knowledge of computers essential and knowledge of airline and freight forwarding operations an advantage.

Salary negotiable based on experience.

Written applications, stating *qualifications and career to date* to:

Box A.6737, Financial Times,
10, Cannon Street, EC4P 4BY.
All applications treated in strict confidence.

TREASURER

Slough **to £14,000+Car**

Our client is the Eastern Hemisphere Headquarters of a rapidly expanding U.S. Corporation providing a wide range of services and products to the oil industry.

A Corporate Treasury function is now being developed reflecting the company's growth and planned further development of its control and forecasting procedures. Reporting to the Managing Director, the successful candidate will control the cash management function through projections, currency exposure analysis and short-term money-market dealings. Viewed as an essential part of the company's management function, the appointment will encompass risk management and involve contact with all management disciplines.

Candidates will be qualified accountants who have previous experience of a multi-currency treasury environment. Aged in their late 20's/early 30's they should have a broad base of experience gained in an international corporation and have the maturity and presence to operate within a senior management team.

Prospects for advancement within the group are excellent.

For further information and a personal history form please contact Nigel V. Smith, A.C.A., or Kevin Byrne B.A., quoting reference 2440.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

Finance Director

c. £15,000 + Car

Our Client is a Group of Automotive Component Engineering Companies, with multi-located manufacturing activities, producing a variety of high volume component parts and products. The Group has a turnover in excess of £100 million and is a clearly defined Division of a major UK manufacturing organisation.

The requirement is for a Financial Director with the personal skills and practical background to make an effective contribution to profitability and management at both the operating Company and Group level in an organisation where profit accountability is decentralised to individual operating companies. Visibility in this role is high and success will undoubtedly be well recognised.

Responsibility will be to the Managing Director of the Group and applicants, aged early 30s upwards, should preferably hold a good University Degree in addition to their accounting qualifications.

The position will be based in an attractive part of the Western Home Counties. Relocation assistance will be provided where appropriate. BUPA, comprehensive life assurance cover and other substantial benefits are standard additions to the salary package.

Please write in confidence, by first class mail, to B. H. Mason at John Courtis and Partners Ltd., Selection Consultants, 78, Wigmore Street, London W1H 9DQ, quoting reference 670/FT.

JC&P

INSCO/BRITAMCO
Bermuda
require

CASUALTY UNDERWRITERS

with long and current experience and proven records in the *following classes of international reinsurance and insurance:*

1. **Excess General Liability, Umbrella and Products Liability.**
2. **Directors & Officers and Professional Liabilities primary and excess.**
3. ***Bankers Blanket Bonds and related business,* primary and excess.**

The ability to apply the Lloyd's style approach to underwriting and a close knowledge of the London and major U.S. markets are essential. Salaries and allowances will be commensurate with qualifications and experience.

Insco Limited is the Bermuda Insurance subsidiary of Gulf Oil Corporation with total assets of approx. $170 Million, capital and surplus of $74 Million and a gross premium income currently $100 Million. A $10 Million Trust Fund is maintained in New York City and the Company is an approved Non Admitted Carrier in 37 States of the U.S.A.

It is the "flag" company of a group underwritten by *Britamco Limited comprising the following companies:*

Insco
Allianz Vers. A.G.
Eisen Und Stahl Ruck
La Preservatrice
The Nisshin Fire & Marine
Le Assicurazioni d'Italia
Reaseguradora Nacional de Venezuela
The Chemical Insurance Co. Ltd.

Business is derived from the international Brokerage network, mainly from European and N. American sources.

Please apply in writing with a full curriculum vitae to:

The President,
INSCO LIMITED,
P.O. Box 268,
Hamilton, 5, BERMUDA.

SENIOR TAXATION ADVISOR

London W.1. **£14,500+Car**

Our client, a leading multi-national with diverse business interests, proposes to strengthen its group taxation department to service the significant expansion in the group's world-wide activities.

Reporting to the Group Taxation Manager, the successful candidate will be principally active in the planning and development of the group's structure, the evaluation of new business ventures and other major projects and in providing advice on corporate and personal tax matters with special emphasis on European locations.

Candidates should be professionally qualified (solicitors or accountants), aged 28-32, with a sound knowledge of U.K. tax. In addition, they should show a commercial and creative approach and be able to present technical information to management in a clear and concise manner.

For further information and a personal history form, please contact Nigel V. Smith, A.C.A. or Robin F. Taylor, B.A., C.A. quoting reference 2434.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

Aim high in pharmaceuticals.

A highly diversified multi-national corporation offers great prospects to an ambitious financial executive.

Finance Manager – Casablanca

For a $6.5M turnover company which is growing fast in Morocco, Tunisia and French W. Africa.

You'll be well qualified, at least 30, with the drive and determination that can take you to the top. Your exposure to multi-national financial techniques – including asset management – will be first class, as will your ability to communicate at all levels.

The operations team is small, the career development potential is big and the world is your oyster.

Rewards include excellent remuneration, relocation expenses, generous housing and car allowance and assistance towards school fees.

So if you are fluent in French, and know you've got what it takes, contact us now about position L941.

In England: (01) 930-0497. 2 St. Alban's St., London SW1Y 4QS.
In Toronto: (416) 920-7702. 50 Prince Arthur Ave., M5R 1B5.
In Montreal: (514) 849-5357. 1115 Sherbrooke St. W. H3A 1H3.
In Calgary: (403) 265-8780. 500-4th Ave. S.W., Ste. 1918. T2P 2V6.

The Caldwell Partners
Executive Recruiting

CHIEF OF FINANCIAL ARRANGEMENTS DIVISION

Salary in the range £9,326-£11,336
(subject to review)

***Good service benefits, congenial working conditions* in Central London, with occasional Meetings abroad**

The post is in the Commonwealth Telecommunications Bureau which acts as the common secretariat for the business *partnership in which the external telecommunications systems* belonging to and operated by most Commonwealth countries around the globe are pooled.

JOB: Under direction of General Secretary, to organise and develop capability in the Financial Arrangements Division and personally to contribute in its work which includes the following principal areas:

Assistance in refining and precise drafting of the Rules and Definitions for the Financial Arrangements of the Partnership, and to implement the Arrangements in the required manner.

Maintenance of up-to-date information on accounting procedures for international telecommunication services and assistance in reviews by Partners; study of trends and appraisal reports thereon.

Control and management of a comprehensive data processing system.

QUALIFICATIONS: A perceptive and analytical mind with proven capacity for high degree of adaptability and initiative; preferably with degree in Economics or related discipline; at least 7 years' experience of analytical accounting; proven managerial experience; *understanding in depth of the uses of* computers; familiarity with telecommunications industry would be an advantage.

For further information and application form please write "*in confidence*" *to:*

Miss A. Harris, Commonwealth Telecommunications Bureau,
28 Pall Mall, London SW1Y 5LP,
or telephone 01-930 5511.

FINANCE MANAGER

Cornwall **c.£10,000**

Our client is a member of a group of companies engaged in exploring for and *mining, processing, marketing,* trading and re-cycling non-ferrous metals, ores and related products on a worldwide scale.

Reporting to the General Manager, *the successful candidate will be responsible* for all routine reporting, including co-ordination of budgets, five year planning, project evaluation and capital expenditure control and will administer all day to day financial matters. In addition, he/she will be closely involved in the acquisition of mineral rights and the interpretation and assessment of their legal, environmental and financial impact.

Candidates should be qualified accountants, preferably aged 28-35 with the maturity and communicative ability to involve themselves in a wide range of responsibilities. The company's programme in Cornwall is an important extension of the U.K. operations and the incumbent will require the capability to structure and develop the finance function accordingly.

For more detailed information and a personal history form, contact Nigel V. Smith, A.C.A., or Robin F. Taylor, B.A., C.A. quoting reference 2433.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

BUDGETT AND MACPHERSON LIMITED

CHIEF EXECUTIVE

The grocery, provisions and dried fruit interests of James Budgett & Son Limited and Macpherson Train & Co. Ltd. have been merged to form this new company.

A Chief Executive is now being recruited. A proven record of professional management is essential as well as a considerable experience of this trade. The Head Office is in London and there is a network of branch offices throughout the UK.

The initial task will be to mould together the constituent companies and trading operations to form an efficient and profitable new company. It is expected that this Chief Executive will be appointed to the Holding Company board in due course.

This appointment is an opportunity for a young executive to take on full profit responsibility. An M.B.A. or similar qualification would indicate an understanding of and an enthusiasm for management.

Candidates in their thirties or early forties would enjoy the style of management in this Group.

A very substantial salary would be negotiated. Generous benefits include a profit share.

Applications will be handled in complete confidence. Letters giving full particulars in the form of a curriculum vitae or otherwise and marked confidential should be addressed personally to the Consultant advising the Company.

P. G. Richardson.
The Faculties Partnership Limited,
177 Vauxhall Bridge Road, London SW1V 1ER.

Financial Accountant

Potters Bar up to £7,000

Southern British Road Services Limited, part of the UK's largest transport and distribution organisation, is an autonomous operating company with a current annual turnover in excess of £21 million.

As Financial Accountant, you will be responsible to the Financial Director for the organisation and control of the company's accounting function, with the aim of achieving the optimum profitable use of company *resources. The emphasis will be on the* control of the financial systems cash flow, the organisation of an *accounting office and responsibility for statutory* accounts.

This is a senior company position and to apply you should be an experienced qualified Accountant with highly developed *communication skills at all levels.* The ability to contribute significantly to the formulation of business development plans is a key requirement. The negotiable salary will backed by the usual large company benefits.

Write with brief career details to: Mr. C. D. Smith, Personnel Manager,

Southern British Road Services Limited,
Station House, Darkes Lane, Potters Bar, Herts EN6 1AL. Or phone Potters Bar (0707) 42381 for an application form.

RECENTLY QUALIFIED

OPERATIONS/FINANCIAL INVESTIGATIONS

S. London **Emoluments to £8,750+Car**

Our client, a major British Group operating worldwide, has experienced rapid growth over the last three years with a current annual turnover of several hundred million pounds.

The audit and review function has been recently established to carry out investigations to identify, evaluate and report on areas of financial exposure and maximise the efficient utilisation of systems and controls. The successful candidate will have broad exposure throughout the Group and will report directly to the Departmental Manager.

Candidates should be qualified accountants aged in their mid 20's with at least a year's post qualification experience. They must have the presence to communicate at all levels and have the freedom to travel between 50% and 70% within the U.K. and overseas. Opportunities for advancement within the Group are excellent.

For more detailed information and a personal history form, please contact Nigel V. Smith, A.C.A. or Robin F. Taylor, B.A., C.A., quoting reference 2437.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

FINANCE DIRECTOR

TI New World Limited, part of the Domestic Appliance Division of Tube Investments, employ 1,100 people in the design, manufacture and marketing of domestic gas cookers.

Reporting to the Managing Director the successful applicant will be expected to contribute significantly to the formulation and enactment of innovative financial policies directed toward the business objectives.

The Finance Director is responsible for co-ordinating the accounting and systems functions within the company and is involved in the day to day line management, with the additional role of Secretary to the Board.

Candidates must possess appropriate qualities of authority and articulation for effective interaction with other Board members and company staff at all levels.

The man or woman appointed is likely to be over 30 years of age, a qualified accountant, with broad experience preferably in the engineering industry.

The company is located in the North-West of England within easy reach of pleasant countryside. Salary is competitive and conditions of employment, including a company car, are those to be expected from a large group.

Relocation expenses to the North-West will be paid, where appropriate.

Please send a full CV to :
Mr. R. F. Barrack
Personnel Director
TI Domestic Appliances Ltd.
Radiation House
North Circular Road
London NW10 0JP

NEW WORLD

Tax Analyst

This is an opportunity for a qualified accountant or lawyer to join Air Products Limited in New Malden, Surrey, 10 miles south-west of London. The company is a subsidiary of Air Products and Chemicals Inc. which has world-wide interests in the manufacture and marketing of industrial gases and cryogenic equipment.

The post involves working with the European Tax Manager who provides a tax management service to Air Products Limited and related companies in Benelux, West Germany and France. Specific duties will involve assisting with the following:

- Negotiation and settlement of tax liabilities.
- Seeking out opportunities for improving the company's performance through reducing cost by tax planning.
- Ensuring that maximum advantage is taken of tax and investment incentive programmes.
- Providing a tax input into all kinds of management decisions.

Candidates, aged 28-35, should have several years' experience in corporate tax work. A facility in languages will be an advantage. The post is open to applicants from the UK or from other European countries.

Remuneration will be negotiable and benefits commensurate with a large multinational organisation will be included. Generous relocation assistance will be provided.

Replies, giving full details, should be addressed to: J. D. G. Addison (ref. TA/FT194/JA), Personnel Manager, Air Products Ltd., Coombe House, St. George's Square, New Malden, Surrey, KT3 4HH, England.

Air Products

£11,000 + Profita General Manager U.K. Aftermarket

INTERNATIONAL AUTOMOTIVE COMPONENT MANUFACTURER
SOUTH WALES

Our client is one of the world's leading automotive component manufacturers. The continued expansion of the Company's business has given rise to reorganisation and the new position of General Manager. Reporting to the Managing Director, he or she is required to take overall responsibility for the management of the Company's Aftermarket marketing and sales operation, supplying automotive component products to factors and other distributors.

Suitable applicants for this senior management position are likely to have the following:

— a good academic record and sound business training, and preferably be Business Graduates (or hold an equivalent qualification)

— a proven track record of achievement in marketing/sales management, including profit accountability. It would be advantageous if this had been obtained within an organisation recognised for its marketing expertise, preferably in a similar technically orientated company or multi-national group

— at least five years' experience at senior management level

— be between 33-40 years of age

An attractive basic salary is offered, which is negotiable dependent upon qualifications and experience, together with a profit related bonus scheme and all the normal benefits associated with a senior position in a progressive international company. Relocation expenses will also be paid.

Please write in confidence, with relevant career details, to: Profita Limited (ref 36/78), Management Consultants, 27 Marylebone Road, London NW1 5JS.

Audit Manager

Essex **c.£8,000+Car**

Our client, a major company of an international organisation with wide interests in a variety of industries, requires an Audit Manager to control a small team responsible for undertaking operational reviews and improving systems and procedures in a number of companies in the group. Reporting to the Chief Auditor you will be his representative in dealing with the management of all the units audited by your team.

Candidates must be qualified accountants in age range 25 to 35 with at least four years senior auditing experience ideally involving the use of computer systems and audit retrieval packages.

Excellent career opportunities throughout the organisation are available in addition to large company benefits including a comprehensive pension scheme and generous relocation allowances where appropriate.

If you feel you are ready for a management role, please telephone or write giving concise details of your career to date quoting Ref. CW 2192.

Lloyd Chapman Associates
125, New Bond Street, London W1Y OHR 01-499 7761

Manager of Financial Controls
Europe and South Africa
Five-figure salary

A major United States corporation, manufacturing and marketing an extensive range of optical products and sophisticated instruments, seeks an experienced financial control and accounting manager.

The initial role in this new appointment will be to support the United States based Director of Audit Services and will include special responsibilities for the reviews of accounting and reporting systems and controls in Europe and in South Africa. He – or she – will also work closely with the Corporate Controller, Treasurer, and Tax Directors on specific assignments.

A graduate chartered accountant is needed who is experienced in the commercial application of accounting skills, preferably in a US company, and who has fluency in French.

Location London or Versailles to suit the job holder. The negotiated salary will include compensation for some mid-week absence from home. An automobile will be provided.

Please write in confidence for an application form, to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY, quoting MCS/3747.

Price Waterhouse Associates

ABU DHABI NATIONAL FOODSTUFF CO. REQUIRES

General Manager

Applications are invited for this top-level Managerial post from suitable candidates who have the following qualification and Experience:-

Qualification - Graduate of any recognized University

Experience - Minimum 10 years in Management level preferably in Import & Trading of Foodstuff

General - Thorough knowledge of Import & Export Procedure, and world Market.
- Excellent command over English language

Salary will be negotiable depending upon the Qualification & Experience of the right candidate.

Priority will be given to U.A.E. Citizen and then other Arab Nationals.

Applications together with Copies of Certificate and other documents should be forwarded within 20 days to:

CHAIRMAN
ABU DHABI NATIONAL FOODSTUFF COMPANY
POST BOX: 662, ABU DHABI - U.A.E.

Phillips & Drew

Institutional Equity Executive

We are seeking a person of some 2 to 5 years' relevant experience to provide a sales service in equities, based on the firm's research output, to institutional clients.

An appropriate professional qualification would be useful but is not essential. Age preferred is 25-33.

Please apply to A. G. Wright, Staff Manager,

Phillips & Drew
Lee House, London Wall, London EC2Y 5AP

Financial Executives

£15,000-£20,000 + car

A major British group with widely diversified interests throughout both commerce and industry, wishes to appoint additional high calibre Financial Executives at its headquarters in the Greater London area.

The Group is highly successful, progressive in outlook and expanding rapidly in the UK and overseas, and the men or women appointed to these senior management positions will be involved in the formulation and implementation of financial policy; short and long term planning, budgeting and the overall supervision of finance and accounting activities in a particular area of the Group's operations.

Our client would like to hear from qualified Accountants who have substantial professional experience at senior level in a large international organization and are now ready to assume a greater degree of responsibility. Preferred age is 35+.

Salary will be negotiable in the range £15,000 – £20,000 per annum plus car and an attractive benefits package in line with the seniority of the appointments.

Write with career and personal details to Position Number ASF 7283 Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

ROWE & PITMAN

(Members of The Stock Exchange)

FOREIGN DEALER

The Firm, which transacts a substantial amount of securities business in overseas centres, is seeking an experienced person to join the Dealing Desk of the International Department.

Applicants must above all have a good knowledge of the Eurobond market and should be conversant with foreign exchange dealing as well as having a general understanding of the workings of foreign security markets.

Salary will be fully competitive, depending upon age and experience, plus participation in the Firm's profit sharing scheme. There is a non-contributory pension scheme incorporating good insurance cover.

Applications with C.V. in confidence to:—

Mr. P. N. Smith,
Messrs. Rowe and Pitman,
1st Floor, City-Gate House,
39-45 Finsbury Square,
London EC2A 1JA.

Assistant Finance Officer

Up to £7,454 including supplements

Applications are invited from qualified Accountants with considerable financial management experience and proven ability at a senior level.

The successful candidate will be responsible to the Finance Officer for the running of the Finance Department, including:—

(a) The supervision of all routine accounting activities.
(b) The maintenance and monitoring of all financial control systems including costing and budgetary functions (c) The preparation and planning of budgets and, in conjunction with Senior Management, the control of such.

Additionally, he/she will be expected to deputise for the Finance Officer at need; and consequently will be expected to:—

(a) Contribute to the effective mangement of the Polytechnic resources. (b) Be prepared to undertake ad-hoc investigations and report thereon.

Candidates must be able to demonstrate a wide experience in mangement and planning, and must possess the ability to communicate fluently both orally and in writing.

Polytechnic of the South Bank

Apply by sending a full curriculum vitae (no application form) naming two referees to:
The Staffing Officer,
Polytechnic of the South Bank,
Borough Road, London SE1 0AA

Credit Officer

Bank of Ireland Finance Group

Bank of Ireland Finance (UK) Ltd., and British Credit Trust Ltd are the wholly owned British subsidiaries of the Bank of Ireland. The UK operations are already highly developed and offer a competitive range of consumer and industrial credit facilities throughout the market-place.

As part of a planned programme of expansion there is a vacancy for a Credit Officer as a member of a Credit team at the Company's Administrative Headquarters in Harrow which will be relocated to Slough during the second half of the year.

The Credit Officer will assist in safeguarding the Company's industrial and commercial investments by assessing and making recommendations on new applications and in reviewing existing commitments. He/She will assist Field Staff in the areas of Credit Applications, reviews and collection matters.

The successful candidate will probably be 25/30 years of age and have had some lending and security experience in a Bank or Finance House and is likely to have obtained a relevant recognised qualification.

A generous salary and fringe benefits are offered, including a non-contributory pension and life assurance scheme. Staff mortgage facilities are available after a qualifying period.

Please write or telephone for an application form and job specification to:–

Mr. P. R. H. Preston, Personnel Manager, Bank of Ireland Finance Group, Havelock Place, Harrow, Middx HA1 1ND. 01-863 8631.

هكذا من الأصل

DEPUTY FINANCIAL CONTROLLER

South London **c £8,000 + Car**

A new appointment as a result of recent growth through an active development policy and by acquisition within the successful UK operation of a leading U.S. Group within the travel industry.

Your initial role as Financial Accountant for the UK operation with turnover approaching £50m and 60 sales outlets is designed to provide participation in a major review of operating systems, the extension of computerised services and to assume day-to-day control of financial accounting staff and the preparation of management and financial reports.

The potential for personal development is excellent and preference will be given to Chartered Accountants under age 30. The company will gladly assist with relocation expenses where applicable.

Call Robert Miles on 01-248 6321

Personnel Resources Limited 01 248 6321
Financial Appointments Hillgate House, Old Bailey, London EC4M 7HS

£6,000 accountancy appointments £9,000

These appointments appeared in the Financial Times on 17th April. For full details see the F.T. of that date or telephone Julie Burgess on 01-248 8000 ext. 526.

JOB TITLE	SALARY	LOCATION	ADVERTISER
Young Qualified Accountant	—	Bermuda	The London Security Reinsurance Limited
Financial Controller	£7,000	N. W. England	Financial Times Box A.6739
Internal Auditor	c£8,500	London	Smith Kline Corporation
Accountant	—	Heathrow Airport	Financial Times Box A.6737

Finance Manager

C. London **£9,000 plus car**

Our clients are a substantial (c2,500 employees) and autonomous division of a well-known leisure-based Group. Although already successful, with a £ multi-million profit, they are seeking to exploit existing resources more fully and to capitalise on market opportunities. The finance function is therefore being strengthened by this new appointment where the emphasis is on managing an information network to develop plans and monitor performance and on advising senior management of the financial implications of business options. The Finance Manager will have a staff of 15 and should be qualified and aged around 30 with experience of managing staff in a fast-moving environment and of working closely with non-financial management. Ref: 787/ . Apply to R. A. PHILLIPS, ACIS, FCII, 3 De Walden Court, 85 New Cavendish Street, London W1M 7RA. Tel: 01-636 0761.

Phillips & Carpenter
Selection Consultants

Financial Controller

Optrex Limited are leaders in the eye care field, and have a wide range of well known and strongly branded health care products which are marketed in the UK and world-wide. We are part of the Hoechst-Roussel group.

We are now looking for an experienced, qualified Accountant to provide the company with financial management expertise in all financial accounting and reporting systems and procedures including computer based information systems. The position reports to the Managing Director.

Applicants, male or female, should be at least 33 years old with sound man-management experience and the ability to contribute wisely both to the financial control and to the overall development of the company.

The successful applicant will be based at our head office in Basingstoke: appropriate relocation support would be given. The salary offered reflects the seniority of the position and a company car is part of a generous benefits package, which also includes free membership of life assurance and private health schemes.

Please write in confidence giving full c.v. and salary details to: Personnel Manager, Optrex Limited, City Wall House, Basing View, Basingstoke, Hants. Tel: Basingstoke (0256) 57272.

Optrex

Financial Controller

S.W. London **c. £11,500 + car**

A very rapidly expanding organisation in the food business offers challenge and exciting prospects for a young financial executive.

An active acquisition programme, plus growth, has doubled turnover in four years. The management accounting, planning and financial control systems must continue to develop.

Candidates must be qualified accountants, preferably in their early thirties. A degree would be an advantage. Experience must include a good background in industries with a high volume of transactions, probably EDP controlled. Importantly, candidates must be of the calibre to take an active part in management, and have ambitions for promotion.

For an application form, write in confidence showing how you meet the specification and quoting reference 1295/L, to J.H. Cobb,

Peat, Marwick, Mitchell & Co.,
Management Consultants,
Executive Selection Division,
165 Queen Victoria Street,
Blackfriars, London EC4V 3PD.

An Unusual Creative Opportunity for an Accountant

SENIOR FINANCIAL ANALYST
MAJOR BRITISH CORPORATION

Central London **c. £10,000 + excellent benefits**

A vital appointment in a corporation poised for further rapid growth. Assume responsibility for • a key financial management role • advising the Board and senior management • evaluating performance • guiding its future • optimising profitability • corporate financial planning.

Our Client: A fast growing, highly successful capital intensive British corporation (annual turnover and assets in nine figures), in the service industry. They are 100% self financed, with an excellent profit record. Their continued success is however dependent both upon evolving still more sensitive financial systems to assist with day to day management and in rapidly providing sound financial advice to formulate Board policies and assist with general management decisions.

Your Challenge: Working in a dynamic organisation reporting to the Board and senior management, you will be involved in • evaluating performance • corporate planning • financial management • MIS • ad hoc investigations • published accounts preparation, plus a wide variety of intellectually stimulating tasks.

Our Ideal Candidate: A qualified accountant in late 20's, early 30's, with sound knowledge and proven expertise in • financial management techniques • MIS • current legislation • modern accounting practice • taxation.

The predominant attributes we seek are • capacity to work in a technically demanding environment. • imagination and creativity • resourcefulness • determination to achieve results • financial and commercial acumen • highly developed numerate skills.

Your Rewards: Attractive basic salary + BUPA + Pension + Other excellent benefits + Relocation expenses, if required.

ACT NOW! Write or telephone, in the strictest of confidence, for further information, or an application form, to: Ian M. Barber, F.C.A., on 01-388 2051 or 01-388 2055 (24 hr. Ansaphone). Quote Ref: 314.

The appointment is open to male/female applicants.

MERTON ASSOCIATES (CONSULTANTS) LIMITED
Merton House, 70 Grafton Way, London W1P 5LN
Executive Search and Management Consultants

GENERAL MANAGER—YACHTING
(MANAGING DIRECTOR DESIGNATE)

The Berthon Boat Company of Lymington, Hampshire, specialises in refitting, repairs and maintenance of high quality yachts up to *100 ft length*. They build to order yachts and commercial craft both power and sail. 140 employees at present.

Applications are invited from age group 28-45 with not less than 6 years' proven general management ability. Additionally applicants should have a consumer or service orientated background, unlimited energy and ambition. Previous experience in the industry, while desirable, is not a pre-requisite. The successful candidate will take responsibility for the effective control and direction of the company's shipyard operation and chandlery sales, and work closely with the associated Lymington Marina and Berthon International Yacht Brokerage operations.

Essential qualities are a well-balanced commercial outlook, a strong character, an ability to motivate people and keep yacht owners happy. A difficult, exciting job meeting interesting people, it will be well rewarded (£10,000 plus) and includes company car, pension scheme and profit share.

Apply detailing career history to:
**CHAIRMAN, BERTHON BOAT COMPANY LIMITED,
THE SHIPYARD, LYMINGTON, HANTS.**

LEASING

The Company is the equipment leasing subsidiary of a highly respected international *merchant banking group. A vacancy exists for a numerate individual* with at least three years' experience within the industry, who is capable of taking responsibility for all rate calculations and associated matters. A sophisticated computer system is employed for lease evaluation, and the successful candidate will liaise with members of the management team. Experience with industrial lessors and an ability to innovate are essential qualities.

An attractive remuneration package is available, which will include benefits normally associated with a first-class financial company.

Applications should be submitted in confidence to: B. D. Bullimore, Managing Director, Schroder Leasing Limited, P.O. Box 99, Harrow, Middlesex, HA1 2HP.

schroder LEASING LIMITED

Export Manager
Automotive Parts

This appointment reports to the Managing Director of an established leader in the automotive parts after market.

Experience with vehicle parts in export markets is essential. Extensive travel will be needed to work with reliable agents and distributors overseas.

Age 26-40. Initial salary and bonus will be in five figures with good prospects, particularly if the successful man or woman is capable in German and/or French.

Please telephone 01-439 6007, or write in complete confidence to Peter Mobsby.

Paul R. Ray International
25 Old Burlington Street
London W1X 1LB

U.S. EXECUTIVE SEARCH cy.

Highly qualified very good skills and reputation wants to establish in Europe.

We look for a

MANAGER
(Male or female)

already trained in search or a well experimented person in the human relations field.
English, french, (german) must be fluent.
Main office in Paris.
Partnership offered without even personal capital *investment.*

Please send CV., photo and salary requirements to:
PUBLISCOPE JUNIOR
11, rue Royale 75008 PARIS.

BERMUDA
YOUNG QUALIFIED ACCOUNTANT

A major reinsurance company is looking for a young (mid-twenties) C.A. as its chief accountant in Bermuda.

The successful applicant, reporting to the vice-president finance, will be responsible for the preparation of the group's monthly and quarterly financial reports. Additional responsibilities will include the company's E.D.P. systems, liaison with local consultants and various ad hoc assignments.

The position offers the opportunity to gain excellent experience in a diversified financial group. Specialist knowledge in reinsurance and/or E.D.P. systems would be useful but is not essential.

A very attractive tax-free remuneration package is offered on an island that is renowned for its superb climate and life style.

Please supply details of your career and education to date or contact:

Peter Young
The London Security Reinsurance Limited
Plantation House, 23, Rood Lane,
London EC3M 3DX
Tel: 01-623 2671

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Ask for Della Franklin
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SUCCESSFUL AND
EXPERIENCED
SALES REPRESENTATIVE

Surrey/Sussex/Kent, weighing and food trade equipment. Good salary plus commission. Company car and usual expenses. Apply to:

Mr. A. H. Wilson, Sales Manager, R. C. Arnold Engineering Ltd., Holmethorpe Industrial Estate, Frenches Road, Redhill, Surrey. Tel: Redhill 64301/2/3

CREDIT ANALYST, c. £5,800 + excellent perks. Age 25+. Currently being sought by rapidly expanding Int. Bank. First class opportunity. Please ring for appointments. 01-283 6022/3 or 283 5748. VWN Employment (Agy.).

MARKETING APPOINTMENTS

Marketing Manager
Pumps

Our client is an established medium-sized manufacturer of general purpose and specialty pumps for industrial, process, marine, agricultural and utility markets. Located within 100 miles of London, the company has excellent facilities and its own modern foundry.

We are seeking a dynamic chemical or mechanical engineer with sales and management experience with pumps, who will direct a competent U.K. and export sales organization, reporting to the Managing Director.

Age 35-45. Initial salary and bonus will be in five figures, with good prospects for the right man or woman.

Please telephone 01-439 6007, or write in complete confidence to Peter Mobsby.

Paul R. Ray International
25 Old Burlington Street
London W1X 1LB

CLUBS

EVE, 189, Regent Street. 734 0557. A la Carte or All-in Menu. Three Spectacular Floor Shows 10.45, 12.45 and 1.45 and music of Johnny Hawksworth & Friends.

GARGOYLE, 69, Dean Street, London, W.1. NEW STRIPTEASE FLOORSHOW "AS YOU LIKE IT" 11-3.30 am. Show at Midnight and 1 am. Mon.-Fri. Closed Saturdays. 01-437 6455.

Jamie is 5 years old, spastic and unable to walk or stand.

It was Angela Coletta's job to find him sympathetic foster parents. Just part of her life as a Barnardo's social worker.

It wasn't easy. But we're happy to say that Jamie is now being looked after by a warm and experienced couple who are realistic as well as fond of children.

People like Angela Coletta and Jamie's new parents are essential to Barnardo's. Also essential are the funds to enable us to continue. Caring for children demands a great deal of money. Will you help?

Please give, your caring isn't enough.

Send your cheque/PO, made payable to Dr. Barnardo's, to: Barnardo's, FT266, Freepost, Ilford, Essex IG6 1BR.

Barnardo's

PUBLIC NOTICES

YNYS MON
ISLE OF ANGLESEY
BOROUGH COUNCIL

VARIABLE RATE
REDEEMABLE STOCK 1983

The *Council of Ynys Môn-Isle* of Anglesey announce that the half-yearly *payment* of interest due on 19th October, 1979 on the above stock will be at the rate of £6.28125 (less income tax) per £100 stock.
18th April, 1979

BOROUGH OF BLACKBURN BILLS
£600,000 Bills issued 18th April 1979, maturing 18th July 1979, at 11 ⁵⁄₃₂% and there are £600,000 Bills outstanding.

OLDHAM METROPOLITAN BOROUGH COUNCIL BILLS
£3,300,000 Bills maturing on 18th July 1979 were offered and issued on 18th April 1979 at an average rate of 11 ¹¹⁄₆₄% p.a. Total applications for this issue £33,000,000 and there are £3,300,000 Bills outstanding.

RENFREW DISTRICT COUNCIL BILLS
£1,500,000 Bills, issued 18.4.79, maturing 18.7.79, at 11 ⁵⁄₃₂% and there are £1,500,000 Bills outstanding.

ROTHERHAM BOROUGH COUNCIL BILLS
£1,000,000 Bills maturing on 18th July 1979 were offered and issued on 18th April 1979 at an average rate of 11 ¹¹⁄₆₄% p.a. Total applications for this issue amounted to £10,000,000 and there are £3,000,000 Bills outstanding.

COMPANY NOTICES

AMERICAN EXPRESS COMPANY
(CDRs)

The undersigned announces that the Annual Report per December 31st, 1978, of American Express Company will be available in Amsterdam at:
Amsterdam - Rotterdam Bank N.V.,
Algemene Bank Nederland N.V.,
Bank Mees & Hope N.V.,
Pierson, Heldring & Pierson N.V.,
Kas-Associatie N.V.

AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, April 11th, 1979

ELECTRICITY SUPPLY COMMISSION — E.S.C.O.M.
$8\frac{1}{4}$% 1971/1986 UA 20,000,000

On April 4, 1979, Bonds for the amount of UA 945,000 have been drawn for redemption in the presence of a Notary Public.
The Bonds will be reimbursed coupon n° 9 and following attached on and after June 11, 1979.
The drawn debentures are those, NOT YET PREVIOUSLY REDEEMED, included in the range beginning
at 13205 up to 14768 incl.
Amount purchased on the market: UA 385,000.
Amount outstanding: UA 9,360,000.
Outstanding drawn Bonds: none.
Luxembourg, April 19, 1979.
The Trustee.
FINIMTRUST S.A.

THE PHILIPPINE INVESTMENT COMPANY
société anonyme
Registered Office: LUXEMBOURG, 14, rue Aldringen
Registre de Commerce: Section B No. 8.927

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of Shareholders of THE PHILIPPINE INVESTMENT COMPANY, S.A., will be held at its registered office, 14, rue Aldringen, Luxembourg, on 27th April, 1979, at 11.00 a.m. for the purpose of considering and voting upon the following matters:

1. To approve and accept the reports of:
   (a) the directors
   (b) the statutory auditor.
2. To approve the balance sheet and profit and loss account as at the 31st December, 1978.
3. Allocation of net profit.
4. To discharge the directors and the statutory auditor with respect to the performance of their duties during the fiscal year ended 31st December, 1978.
5. To elect directors to serve until the next annual general meeting of shareholders.
6. To elect the statutory auditor to serve until the next annual general meeting of shareholders.
7. To renew the authorisation to issue additional shares within the authorised capital for a further five year period.
8. Any other business.

The shareholders are advised that except for resolutions on point 7 of the agenda no quorum for the statutory meeting is required and that decisions will be taken by the majority of the shares present or represented at the meeting with the restriction that no shareholder either by himself or by proxy can cast votes in respect of a number of shares in excess of one fifth of the shares issued or two fifths of the shares present or represented at the meeting.

Resolutions on point 7 of the agenda require the presence in person or by proxy of at least 50% of the issued and outstanding capital and must be adopted by a majority of ⅔ of the shares present or represented at the meeting.

In order to take part at the statutory meeting of April 27th, 1979, the owners of bearer shares are required to deposit their shares five business days before the meeting at the registered office of the Fund, 14, rue Aldringen, Luxembourg, or *with the following bank:*
—Banque Générale du Luxembourg, S.A.,
14, rue Aldringen, Luxembourg.
The Board of Directors.

O.K. BAZAARS (1929) LIMITED
(Incorporated in the Republic of South Africa)

NOTICE TO 6% SECOND CUMULATIVE PREFERENCE SHAREHOLDERS—DIVIDEND NO. 81

NOTICE IS HEREBY GIVEN that the *half-yearly dividend* of 3% has this day been declared payable on the 30th May, 1979, in the currency of the Republic of South Africa, to all holders of 6% Second Cumulative Preference Shares registered in the books of the Company at the close of business on the 4th May, 1979.

The usual non-resident shareholders' tax of 15% will be deducted where applicable.

The Register of Members will be closed in Johannesburg and London from 5th to 12th May, 1979, both days inclusive, for the purpose of the *above dividend.*

BY ORDER OF THE BOARD.
J. B. PARNALL,
Secretary

Registered Office:
O.K. Building,
Eloff, Pritchard and President Streets,
Johannesburg 2001.

London Registrars:
Hill Samuel Registrars Limited,
6 Greencoat Place,
London, SW1P 1PL.

17th April, 1979.

OFFICIAL NOTICES

M/V EAGLE
NOTICE OF MARSHAL'S SALE

The Greek Flag motor vessel EAGLE, a general cargo vessel with container capability built in 1972 by Warnowerft, E. Germany with Ice Class III notation, five holds/hatches McGregor, full cargo gear with heavy lift capability, 27,000 cu. ft. refrigerated—25°C, 335 TEU container, 12,597 dwt, 9,980 gross, BV/ABS joint class 2/1978 Continuous Hull and *Machinery Survey valid until July 1982,* MAN Diesel 8 cylinder 11,200 BHP, loaded speed about 18 knots on abt. 38 tons HVF, 149.99 LOA/21.85 B X 11.92 D meters, plus spare parts aboard. ALL PARTICULARS BELIEVED TO BE CORRECT, BUT NOT GUARANTEED.

WILL BE SOLD,
"AS IS, WHERE IS"
FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES

at public auction on *April 20, 1979* at 2.00 P.M. in the afternoon by the United States Marshal for the Eastern District of *New York, U.S.A.,* pursuant to the order of this Honorable Court entered on April 3, 1979.

The sale will be to the highest bidder, subject to confirmation by the Court. Ten percent (10%) of the purchase price shall be deposited with the U.S. Marshal at the time of bid, in U.S. currency, or by cashier's or certified check expressed in U.S. currency, and drawn on a New York bank. Payment of the balance of the purchase price shall be paid to the U.S. Marshal in the same fashion on or before the forty-*eighth hour following completion of* said auction. IN THE EVENT OF A SUCCESSFUL BIDDER'S FAILURE *TIMELY TO CONSUMMATE THE PUR-*CHASE, THE TEN PERCENT DEPOSIT WILL BE FORFEITED.

The vessel is presently berthed at the Daily News Pier, Foot of Dyckman Street, Brooklyn, New York and may be inspected by appointment with the U.S. Marshal. For further vessel particulars, contact Allied Intercontinental Agency, Inc., telephone number (212) 344-2720, attention Mr. Verner B. Unger. To *inspect the vessel, contact the office* of the U.S. Marshal at the United States Courthouse, Cadman Plaza East, Brooklyn, New York, telephone number (212) 330-7495, attention Mr. Raymond J. Sullivan.

LOUIS J. SOSCIA, U.S. Marshal.
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

OFFICIAL NOTICE—PROPOSAL TO CHANGE A SHIP'S NAME
We DHK Limited, of Bank of Bermuda Building, Front Street, Hamilton, Bermuda, owners of the merchant ship MENKAR of London official number 373248 of gross tonnage 17836.10 tons, or registered tonnage *11306.73 tons (previously* owned by Ashcroft Company Limited of Bank of Bermuda Building, Front Street, Hamilton, Bermuda) propose to change her name to ALARIC. Any objections must be sent to the Registrar General of Shipping and Seamen, Llantrisant Road, *Cardiff CF5 2YS,* within seven days of the appearance of this advertisement.
Signed HOLMAN, FENWICK AND WILLAN *(Solicitors).*
Dated 6th April, 1979.

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Residential Property	2.30	9.50
Appointments	5.30	16.00
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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● TEXTILES

Swiss devise yarn break monitor

IN SPINNING traditional yarns, the main factor that influences yarn quality and spinning costs is the number of end-breaks on each spindle. Monitoring each break manually is a massive task and, while creating work for the operative it also tends to distract attention from other matters. Statistically it is essential for several tens of thousands of spindle hours to be monitored if the figures are to be of any real use in judging yarn quality.

A reliable measure of yarn quality can be made by using the frequency of end-breaks on a ring spinning frame. This information also serves to reflect the influence of changes made in processes before spinning.

With a spindle that has end-breaks far above the average, it is possible that the mean end-break figure can seriously be affected, so that with say 1 to 3 per cent of spindles not working properly it may well be that this will affect total end-breaks by 20 to 30 per cent.

Now a new system of constantly monitoring end-break frequency systematically has been introduced by the Swiss company Zellweger Uster (British agent: G. W. Thornton and Sons, Geather House, Eden Place, Cheadle SK8 1AU Tel. 061 428 4271).

With the Uster Ringdata system it is possible for influences affecting yarn production to be recorded fully and systematically for the first time. For a low charge it is now possible either to monitor a single frame, a representative group of machines or an entire plant. The monitoring takes place round the clock.

Collection equipment is mounted on the ring rail, but this "Patril" sensor does not make any physical contact. A microcomputer receives the running and stopped signals and correlates them to the spindle numbers.

The Swiss company is now actively developing this monitoring system for the Uster Rotordata on rotor spinning machines, the Uster Conedata for cone winding installation and the Uster Loomdata system for weaving sheds. All these new systems should be available later this year.

● BROADCASTING

Compact transmitter

OWING A great deal to the successful BT1000 one kilowatt medium frequency transmitter built initially for the BBC, Redifon has further developed the unit into the more compact BT1002.

Also available however are a 500 watt version (BT500) and a 250 watt model (BT250), so that most broadcasting power needs can be met in this general area. The largest version BT1002 can be doubled up to 2 kW.

There are several interesting features. For example, modules can be removed from the two-bay configuration for repair or routine servicing without interrupting transmission; there are eight in the BT1002 so that the removal of one results in only a small loss of power. Although failure of subsequent modules will progressively reduce output, it is unlikely that the transmitter will go off the air.

The transmitters also have outstanding radio frequency power conversion efficiency. Some 60 per cent of the mains power input is converted to broadcast signal, compared with a typical figure of 34 per cent in a valved transmitter.

Apart from the reduction in running costs (about £280 a year in the UK), the high conversion factor also means that there is less heat generated, with resultant savings in cooling and ventilation. There are no fans—indeed no noise at all due to the complete absence of moving parts.

There is also no need for a station voltage stabiliser: the units have power output stability built in—there is only 0.2 dB variation for a 10 per cent change of mains voltage.

More from the company at Broomhill Road, Wandsworth, London, SW18 4JQ (01-874 7281).

This is the "Dart," remotely-manned submersible, recently designed by International Submarine Engineering of Port Moody, British Columbia, Canada. The company plans to produce the vehicle in the UK and a subsidiary has been set up at Hurn Airport in Dorset, which is negotiating with "a major UK manufacturer" for batch production. The vehicle is 37 inches long, 18 inches wide and 12 inches high, with a weight of 70 lb. It has four propellor thrusters each delivering 25 lb for easy movement in any direction and is equipped with a Panasonic 1350A television camera connected to the surface by a half-inch umbilical. Control is from a console using a single joystick. A 300 watt lighting unit is built in. Price is expected to be about $U.S.50,000.

● DATA PROCESSING

Produces letters, figures and symbols

THE OLIVETTI NIP18 dot matrix serial printer, which writes at up to 50 characters per second on electro-sensitive paper is available from Impectron, Impectron House, 23-31 King Street, London W3 9LH (01-992 5388).

The seven electrode moving print head produces numerals, letters, commercial and scientific symbols at up to 25 characters per line. The head mechanism is designed for printed circuit board mounting—it weighs only 190 grams and measures 175 x 80 x 45 mm overall.

Character height is 3 mm with variable width, and the average print head life is in excess of 2m operations; the unit will therefore be particularly useful to manufacturers of portable instruments, processing equipment, data loggers and mobile data terminals. So will the fact that the printer will operate in any plane, at temperatures between minus 10 degrees and plus 50 degrees C and in conditions where relative humidity is up to 90 per cent.

Impectron is offering the NIP18 either as the basic printer module or in an "OEM package." This option includes a printed circuit board on which the basic printer is mounted, which contains a pretested circuit for BCD/ASCII character generation, all control and drive circuits necessary to drive the printer and mechanical accessories such as paper holder and tear-off strip. The package offers users the ability to connect up and use the printer without additional components or control circuitry.

A further "package," in which the printer is supplied with a micro-processor controlled drive circuit, allows a far more flexible approach to be made. With this option a wide range of alpha-numeric characters and symbols may be printed, with six possible print sequences. Characters may be printed from left to right, right to left, with each sequential line above or below its predecessor, or even upside down.

Video terminal offers many options

BOTH interactive and buffered, *a video display terminal*, the Cyclops, is compatible with, but offers more functions than the previous Data General models. The display incorporates a separate sculptured typewriter-style keyboard and a pedestal-mounted, 12-inch monitor, as well as an industry-compatible asynchronous communications interface.

Cyclops extends the performance of the Dasher display line, with a standard typewriter keypad, a 14 key numeric data entry pad, separate cursor-control keypad, 18 user-defined function keys, standard direct cursor positioning and sensing, and interactive and buffered operation. The 96 upper and lower case ASC11 character set is available with optional founts and keyboard for international use.

Alphanumeric characters displayed on the screen are formed by a 5 x 7 dot matrix for upper case and a 5 x 8 matrix for lower case. A maximum of 24 lines, each having 80 characters can be displayed on an individual screen. For information highlighting and forms design, several character attributes may be defined by the user to differentiate portions of the displayed text.

For OEMs and system designers willing to operate the Cyclops in its buffered mode, text manipulation functions similar to those found on word processing terminals are standard features. In this mode, single characters, words, or blocks of information may be moved, inserted or deleted with a keystroke, without intervention from the host processor.

The asynchronous communications interface has selectable speeds up to 19,200 bps, which may be independently set for reception and transmission. The terminal can be connected directly to a central computer using the current loop interface with cables up to 1,500 feet.

Data General, Hounslow House, 724 London Road, Hounslow, Middx. TW3 1PD. 01-572 7455.

● IN THE OFFICE

Recorder in a briefcase

PROJECTS CGC, of Bredon, Tewkesbury, Gloucestershire (0684 72789), has introduced a three-channel portable tape recorder built inside a small briefcase.

The unit weighs approximately 6 kg and its three input channels will accept either variable frequency, binary coded decimal or voice input. If required, an internal clock can be provided to show time in relation to events recorded on the other channels. The machine uses standard C 60 cassettes, and has a dynamic range of 500 Hz to 10 kHz.

The unit makes possible *simultaneous* recording of parameters such as temperature, pressure, strain, bcd data, time and voice.

A further decoding unit makes data from the recorded cassette available as a graphic CRT display. The decoder includes a keyboard, allowing manual data entry to be imposed on the information from the cassette. In its "finished" form data is then available as output for hard copy, paper tape or any form of magnetic recording, such as computer tape.

● COMMUNICATIONS

Facts transmitted fast

AMONG A number of facsimile transmission equipments to become available from Kalle Infotec in the next few months will be the model 6200, which is able to transmit an A4 document in less than 20 seconds.

At the unit's fastest transmission speed of 9,600 bits per second this digital unit offers an express scan time for an A4 page of 17½ seconds, the resolution then being at its worst at 2.57 lines/mm. Other scans, yielding increased detail of reproduction can be selected to give 24 and 48 seconds. The three equivalent resolutions are 2.6, 3.9 and 7.7 lines per millimetre. Transmission times are doubled at 4,800 bph, and two lower speeds are also available.

The built-in automatic modem electronically selects transmission speed according to the line quality it sees, ensuring that the document is sent in the minimum possible time. Controls on the front panel enable the user to take account of size, quality and legibility of the original document. A3 to A5 sizes can be accommodated.

A model for lower volume applications, the 6100 is also being introduced. This simply has two transmission speeds (4,800 and 2,400 bps) for resolutions of 3.8 and 7.7 lines/mm, with typical send times of 48 and 96 seconds (all for A4 documents). This machine can deal with A5, A4 and 14 inches formats.

Both machines are microprocessor controlled and are derivations of the model 6000, launched in 1974, of which 15,000 are installed world-wide.

The speed and convenience of these devices, and their relative cheapness of use once again raises some doubt about the future of telex transmission. Some figures originating from Kalle indicate that even using the earlier 6000 model, a 350-word message, sent more than 35 miles in the afternoon in the UK in one minute by the facsimile machine, costs only about one-third compared with the same telex message sent in five minutes.

● SECURITY

Central alarm system

EFFECTIVENESS OF an intruder alarm system is only as good as the law enforcement's response to its signal. When a growing number of false alarms has seriously overloaded the capacity of the police to cope, it is not surprising that there is reluctance to monitor and respond to alarm systems.

Kent County police has asked users to make alternative arrangements after January 1 next year, and it is becoming apparent that the general trend is for police forces throughout the country to follow suit . . . hence the need for central alarm stations which can discriminate between the genuine alerts and the numerous calls arising from faulty lines, imperfect systems, etc.

Insurance burglary surveyors and, particularly, the Kent police are being invited to a seminar organised by Modern Alarms of Peckham, London SE, which will advise them of the cost of taking alternative signalling and also the availability of high security lines back to the company's central station at Peckham.

A central station, opened just a few weeks ago, is in operation at Mather and Platt, Titan House, 184 Bermondsey Street, London SE1 (01-407 9741).

Built to satisfy all Fire Offices Committee requirements, the station has a high security monitoring and computer linkage to ensure that any message transmitted from a signalling unit installed in a customer's premises is received within seconds.

In the case of commercial and industrial premises, says the company, there are many more risks than those of fire or intruder.

Leakage of toxic gases and chemicals, shifting stock in warehouses, damaged refrigeration, faulty heating or air-conditioning units, expensive computer and word processing system failure—all need to be signalled for swift attention to avoid possible extensive financial loses to a company.

Handling up to eight separate alarm situations from each of the premises to which it is installed, the MPA 1077 alarm signalling system will: acknowledge signal when alarm is set (only registering on a faultless system); scan and interrogate the alarm system every two seconds — outside interference with the alarm telephone circuit will register as an alarm; reduce the level of "false" alarms and notify all alarms to signal key-holders.

The MPA system can be multiplexed for use by up to eight subscribers through just one Post Office bearer circuit—alternatively, a subscriber may opt for direct line connection.

By sharing Post Office subscription charges, says the company, customers are offered realistic and reasonable costs for use of a sophisticated signalling system.

All alarm signals are transmitted from the customer control units, received by the MPA central station control unit, and operatives here pass all alarm calls direct to the police or fire headquarters.

The entire central station is linked to its own security guarded emergency generator for immediate switchover should normal electrical services fail.

This development, along with the robot phone line television surveillance and alarm verification system (being introduced to the UK by Modern Alarms), will be shown at the IFSSEC Exhibition, Olympia, April 23-27.

DEBORAH PICKERING

● ELECTRONICS

Making and assembling boards

BASICALLY a manufacturer of bare printed circuit boards, Protronic 24 of 4, Mount Road, Hanworth, Middlesex (01-898 2867) has now decided to complement its fast delivery prototype PCB service with a component assembly facility.

The company believes it is the first in the UK to take this step and says it is finding a ready market for the complete package deal of manufacture and assembly.

For boards of average size and density the assembly segment is expected to add only two days to the priority service delivery time of seven days for plated-through boards. Maximum batch size at the moment is 100, but there are plans to increase this in the new premises recently taken next to the existing Hanworth plant.

The company will assemble components issued by the customer, or will provide and assemble them to specification. All the boards are 100 per cent inspected, allowing the customer to put them straight into service.

Carries out two tests

REALISING that in most electronic design and test environments nowadays a logic analyser and an oscilloscope will cover much of the digital and part-digital equipment being dealt with, Philips has introduced the PM3540, which combines the two.

The analyser has synchronous sampling up to 10 MHz and gives a choice of binary, octal, or hexadecimal state display on the oscilloscope screen. Comprehensive trigger facilities are provided (internally, externally, or manually) and a trigger word can be pre-set in the desired display format. This can be either by using the display and cursor controls or by selecting the desired conditions from the data stream itself to allow fast pacing through it.

Main memory is 64 by 64 bits, with a display on the tube face of 16 by 16 bits. A compare mode is provided, using two separate 64-word memories.

The scope has 2 mV sensitivity over the full 25 MHz bandwidth, with two vertical channel inputs separate from those of the logic analyser. More from York Street, Cambridge, CB1 2PX (0223 58866).

Notice of Redemption

Nippon Electric Company, Limited

7½% Guaranteed Sinking Fund Debentures Due 1981

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of May 15, 1969, under which the above described Debentures were issued, Citibank, N.A., as Trustee, has drawn by lot, for redemption on May 15, 1979, through the operation of the sinking fund provided for in said Indenture, $1,000,000 principal amount of Debentures of said issue of the following distinctive numbers:

COUPON DEBENTURES OF $1,000 PRINCIPAL AMOUNT OUTSTANDING

M12	966	1543	3410	4531	5333	5916	6796	7327	8182	9430	10013	10870	11750	12388	12709	13582
14	979	1549	3411	4533	5334	5989	6798	7330	8191	9435	10031	10887	11752	12430	12713	13636
15	980	1591	3412	4535	5335	5990	6799	7331	8195	9516	10033	10888	11757	12435	12714	13641
19	1019	1592	3413	4537	5337	5992	6805	7542	8196	9517	10039	10946	11764	12444	12727	13650
31	1022	1594	3414	4539	5338	5994	6807	7544	8197	9519	10045	10954	11773	12448	12729	13657
36	1026	1595	3599	4575	5340	6060	6872	7546	8200	9523	10049	10956	11800	12461	12733	13662
58	1049	1621	3600	4576	5341	6063	6873	7547	8204	9533	10051	10960	11801	12465	12735	13675
63	1061	1624	3602	4578	5411	6066	6921	7548	8212	9553	10056	10977	11802	12470	12737	13682
105	1062	1626	3603	4579	5412	6070	6922	7550	8214	9586	10058	10982	11804	12471	12738	13737
110	1065	1638	3637	4581	5414	6120	6934	7638	8222	9650	10062	11030	11807	12485	12750	13740
152	1066	1639	3638	4582	5415	6121	6936	7645	8227	9657	10073	11033	11813	12487	12753	13748
154	1073	1646	3639	4609	5470	6123	6937	7721	8231	9665	10081	11038	11814	12488	12757	13751
159	1088	1676	3640	4610	5471	6124	6973	7724	8235	9667	10087	11039	11825	12490	12759	13776
172	1101	1679	3660	4615	5472	6126	6974	7725	8236	9668	10093	11043	11842	12497	12760	13817
176	1108	1691	3661	4622	5473	6130	6977	7726	8547	9673	10094	11115	11856	12498	12768	13820
178	1125	1692	3662	4635	5474	6172	6979	7727	8655	9681	10096	11117	11864	12499	12770	13866
193	1133	1696	3774	4637	5478	6176	6981	7730	8658	9699	10099	11119	11874	12502	12773	13905
197	1146	1700	3777	4638	5481	6177	6994	7799	8661	9707	10113	11121	11893	12510	12775	13920
198	1147	1715	3780	4642	5521	6180	6995	7801	8663	9712	10117	11123	11898	12523	12776	13943
215	1162	1726	3781	4648	5523	6181	7023	7802	8665	9714	10119	11141	11904	12537	12782	13953
216	1163	1846	3846	4655	5524	6184	7024	7804	8670	9717	10120	11190	11906	12539	12783	13988
218	1176	1852	3898	4656	5527	6217	7026	7807	8760	9753	10128	11194	11915	12548	12786	13994
231	1178	1857	3899	4657	5528	6264	7028	7810	8761	9754	10140	11196	11916	12553	12787	14004
233	1179	1859	3925	4661	5533	6265	7029	7817	8767	9757	10141	11200	11969	12558	12789	14015
248	1185	1860	3927	4862	5575	6275	7036	7935	8771	9758	10148	11216	11986	12559	12791	14018
257	1198	1926	3930	4864	5576	6289	7044	7938	8774	9760	10150	11258	11989	12562	12794	14030
272	1228	1927	4057	4866	5583	6291	7045	7939	8778	9794	10161	11268	11994	12563	12931	14040
275	1230	1929	4068	4869	5598	6292	7070	7944	8859	9798	10163	11270	12005	12573	12934	14148
302	1231	1930	4134	4871	5600	6302	7081	7949	8860	9800	10164	11291	12015	12575	12935	14153
304	1233	1934	4135	4872	5601	6320	7088	7950	8870	9802	10190	11328	12016	12577	12936	14158
305	1268	1996	4139	4873	5604	6327	7097	7956	8875	9820	10198	11331	12028	12580	12940	14168
320	1290	2000	4141	4988	5605	6329	7130	7957	8878	9833	10201	11342	12036	12583	13042	14174
371	1293	2001	4142	4989	5609	6371	7136	7995	8953	9836	10202	11344	12044	12584	13045	14234
379	1302	2075	4192	4990	5610	6382	7144	7998	8954	9840	10206	11379	12058	12589	13047	14253
446	1303	2076	4194	4991	5611	6393	7145	7999	8958	9845	10207	11397	12061	12632	13048	14289
448	1305	2157	4195	4994	5618	6411	7146	8000	8963	9858	10215	11398	12071	12639	13051	14300
451	1307	2158	4197	4995	5628	6413	7163	8007	8964	9867	10217	11401	12076	12644	13052	14301
461	1320	2814	4226	4999	5633	6416	7170	8009	8965	9868	10223	11406	12077	12646	13054	14351
470	1339	2815	4227	5030	5634	6417	7209	8019	8967	9869	10226	11434	12119	12649	13142	14365
538	1349	2849	4229	5031	5655	6418	7211	8050	8969	9873	10232	11448	12146	12650	13149	14373
547	1359	2850	4231	5033	5657	6419	7217	8054	8970	9877	10233	11461	12148	12652	13154	14374
551	1361	2852	4253	5037	5672	6519	7228	8055	9041	9885	10471	11465	12157	12659	13155	14379
553	1372	2962	4254	5063	5674	6526	7230	8056	9043	9888	10476	11543	12167	12664	13160	14385
579	1374	2963	4258	5064	5677	6532	7231	8059	9044	9893	10480	11559	12175	12668	13170	14444
580	1378	2964	4266	5066	5683	6533	7232	8061	9049	9901	10481	11571	12285	12670	13253	14445
599	1404	3006	4273	5070	5699	6619	7234	8066	9051	9903	10484	11576	12287	12673	13259	14456
624	1408	3182	4273	5072	5700	6625	7238	8067	9057	9905	10487	11591	12288	12675	13376	14764
627	1417	3183	4274	5090	5704	6628	7244	8075	9059	9910	10577	11602	12291	12682	13448	14775
761	1447	3184	4278	5092	5706	6629	7253	8080	9146	9915	10579	11621	12308	12683	13453	14776
778	1450	3319	4386	5093	5707	6631	7254	8101	9272	9920	10584	11630	12309	12687	13458	14781
881	1455	3320	4387	5103	5808	6633	7255	8108	9277	9935	10587	11642	12317	12688	13459	14796
882	1461	3321	4388	5119	5813	6637	7256	8109	9278	9933	10595	11643	12318	12690	13463	14802
883	1464	3332	4391	5125	5817	6638	7265	8116	9344	9935	10697	11657	12324	12691	13472	14960
885	1490	3377	4393	5240	5818	6707	7274	8123	9345	9938	10698	11683	12329	12692	13475	14981
905	1495	3378	4395	5241	5908	6712	7275	8148	9350	9943	10700	11702	12340	12697	13482	14991
909	1502	3379	4396	5242	5909	6715	7276	8154	9353	9976	10770	11705	12341	12700	13543	15000
929	1527	3382	4473	5243	5912	6719	7278	8157	9362	9986	10860	11712	12347	12701	13548	
948	1530	3383	4477	5246	5913	6727	7281	8171	9369	9991	10868	11715	12348	12705	13560	
952	1533	3409	4530	5250	5914	6728	7325	8179	9412	9993	10869	11749	12376	12708	13575	

The Debentures specified above are to be redeemed for said sinking fund at the **SBD-Multinational Securities-2nd Floor of Citibank, N.A., 111 Wall Street, in the Borough of Manhattan, The City of New York, State of New York,** the main offices of Citibank, N.A. in Amsterdam, Netherlands and Milan, Italy; The Chase Manhattan Bank (National Association) in Paris, France and Frankfurt/Main, Germany; The Bank of Tokyo, Ltd., London, England and Brussels, Belgium and at Kredietbank S.A. Luxembourgeoise, Luxembourg, as the Company's paying agents, and will become due and payable UPON PRESENTATION AND SURRENDER THEREOF on May 15, 1979, at the redemption price of 100 percent of the principal amount thereof plus accrued interest on said principal amount to such date. On and after such date, interest on said Debentures will cease to accrue.

Said Debentures should be presented and surrendered at the offices set forth in the preceding paragraph on said date with *all* interest coupons maturing subsequent to the redemption date appertaining thereto. Coupons due May 15, 1979 should be detached and presented for payment in the usual manner.

For NIPPON ELECTRIC COMPANY, LIMITED
By:* CITIBANK, N.A., *Trustee

April 12, 1979

THE MARKETING SCENE

EDITED BY MICHAEL THOMPSON-NOEL

TEST MARKETING: Jon Dutfield of Westward TV and Harold Lind of AGB describe attempts to help manufacturers reduce the cost of new product tests.

A case of identity

ADVERTISERS, particularly on TV, are naturally anxious to find out all they can about their markets. Lord Leverhulme might have been prepared to waste half his advertising budget, but in today's environment marketing managers want a much better batting average than that. This is why increasing reliance is placed on purchasing data such as that provided by the TCA panel on packaged groceries. Unfortunately, even here the TV advertiser in the past has found difficulties acquiring information exactly tailored to his requirements.

An obvious example can be seen in the crucial area of test marketing. It obviously makes good sense for any producer of a new product to minimise the cost of failure by trying it out on a small scale before he goes in for the expense of national marketing and distribution. But as is so often the case, the logical simplicities of theory become rather more complicated when applied to the real world.

Test marketing is an excellent case in point. All that is required is to find a distinct region, preferably small to keep down costs, but typical in all relevant respects to the country as a whole and at which a separate, not too expensive, advertising campaign can be directed.

To anyone who knows much about marketing, that list of requirements already sounds daunting. Indeed, it is fair to say that before the advent of ITV it was virtually unattainable. One of the benefits of commercial television is precisely the improved opportunities it has given firms to introduce new products at less than crippling costs because there are a number of relatively small but separate regions within the network.

Although this is a big improvement on the position of 25 years ago, we are still a long way from perfection. It is not enough for an advertiser to be able to concentrate on one particular region of the country.

He must also be able to evaluate the sales results following his advertising campaign and extrapolate them to the country as a whole. He can do this only if he has a thorough knowledge of the structure of the region where his test marketing is taking place.

It is always possible to discover the basic demographics of any TV region (age/sex/class/family size), but although this is extremely helpful, it may still not be sufficient. Purchasing patterns vary enormously from region to region, even if the regions are relatively close neighbours. Unless these differences can be discovered, and allowances made, completely false conclusions may be drawn about the results of a national product launch.

There can be no doubt that such a lack of knowledge exists in the purchasing patterns of the smaller TV regions. In panels such as the TCA, it has been customary to lump a smaller TV region in with a nearby larger one, so that the Westward TV area for instance, is aggregated with HTV. There is an obvious missed opportunity here for advertisers. They can advertise separately on Westward, but find the research figures on purchasing patterns dominated by the larger region with which it has been statistically twinned. In the case of the Westward/HTV tie-up, there is every reason to believe that purchasing patterns will be widely different in Westward alone from those shown by the joint figures, particularly when it is remembered that consumer patterns across the two television regions are dominated by Wales—HTV—since in terms of population HTV accounts for 72.6 per cent of the joint HTV and Westward universe.

To partly rectify this situation WTV has subscribed to the specially boosted Westward TCA panel of 400 homes. This reveals that consumer patterns for groceries in Westward are widely different from those of the joint Westward/HTV region, a conclusion that follows quite logically from an examination of the demographic nature of WTV compared with HTV, with Westward's greater preponderance in the more affluent ABC-1 social groupings.

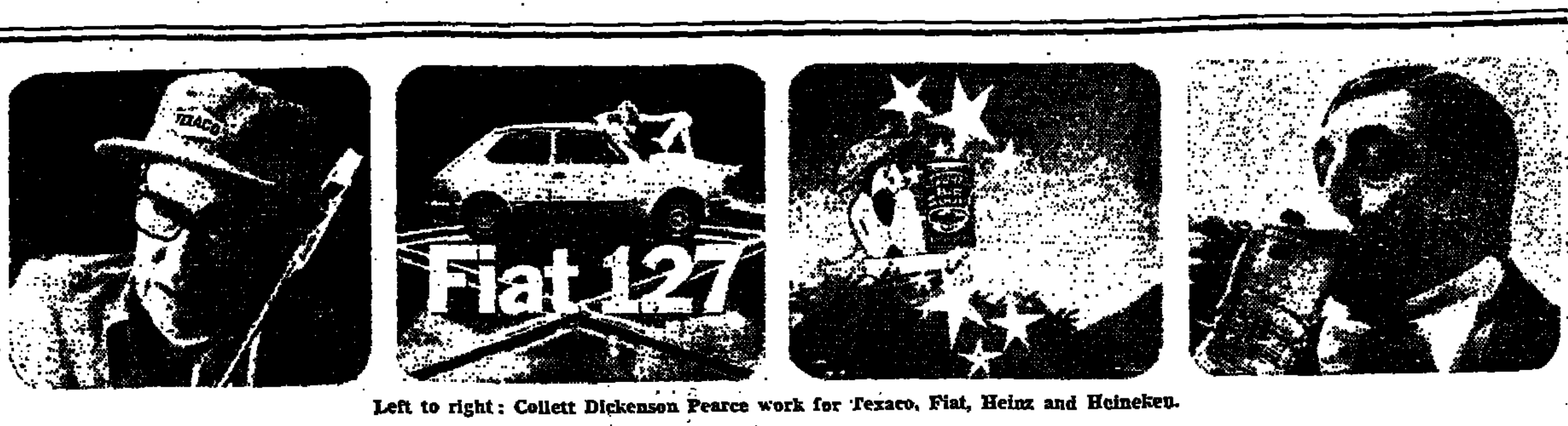
As a natural extension of product information in 30 fields, a source of purchase analysis was commissioned. Since there were, and sadly still are, misconceptions about the sort of people who live in Westward, so there exist erroneous opinions about the structure of the retail trade in the area, considered to be largely characterised by its quaint corner shops, souvenir emporia, and caravan site shops, etc. The reality is very different, with a stronger bias towards multiples than Britain as a whole, and it is they rather than the independent retailers who dominate the retail scene.

As multiple groups are regionaly biased, it is difficult to equate the business of multiples with population distribution. However, that Tesco, with only 15 stores in Westward as against two other multiple groups with more than 50 each, should account for 22.4 per cent of all grocery consumption in the 30 fields examined, gives a revealing insight into the way in which the pattern of retailing in small TV regions would be almost impossible to predict from published data alone.

Similarly, Westward, with 3.4 per cent of the population, can claim a greater than expected share of consumption in many product fields — 4.5 per cent, for example, in packet soup, 4.3 per cent in flour and 3.7 per cent each in tea and coffee. The differences are even more apparent when individual brands are examined.

Westward has already been used extensively for test marketing, but in a field as fraught with potential confusion as this, the availability of better background data must be a major advantage. Any firm planning a test marketing operation is torn between the desire for economy, which would suggest using a small TV area, and the need for a first-rate statistical base, which up to now has required a larger area.

The use of boosted TCA samples in smaller TV regions may well go a long way towards resolving the dilemma. They might also cut down on the number of products which look magnificent in test market but are a disaster when launched nationally — to say nothing of the products killed off because of a disappointing test that might have been successful if launched nationally.



Left to right: Collett Dickenson Pearce work for Texaco, Fiat, Heinz and Heineken.

Collett—determined to stay British

BY MICHAEL THOMPSON-NOEL

IS Collett Dickenson Pearce International, Britain's most award-laden advertising group, about to take the veil? Not at all, says managing director John Salmon, discussing the £3.9m cash bid for CDP (FT, April 14) and the company's planned reversion to private company status.

Hambros, the leading merchant banking group, has a 75 per cent stake in the bidding company; the remaining 25 per cent is owned by two CDP directors, Mr. Salmon and Julian Seymour, and 11 senior CDP executives.

The move makes sense. It will ensure that CDP stays British (apart from Saatchi and Saatchi, it is the only British-owned ad group in the current Top 10). It will silence the siren call of suitors (at one stage last year Saatchi itself made a bold play for Collett). And it should soothe residual worries over CDP's tax problems with the Inland Revenue.

CDP went public in 1969. In the interim, says Mr. Salmon, virtually all the founding fathers had either left the agency or dropped out of its day-to-day running.

In part, the manoeuvre is intended to provide a degree of ownership, control and incentive for those currently running the agency. "It will also guarantee the independence and character of the agency's creative work," says Mr. Salmon. "There is a great advantage in not having to explain what we're doing with our ads to those who are not from this culture" — a reference to the head offices of the U.S. parents of Collett's U.S.-owned rivals.

Shareholders are being offered 118p a share. Collett raised its pre-tax profits last year from £1.39m to £1.53m.

Three directors not participating in the offer are recommending acceptance of the bid. They are John Pearce, the CDP chairman, John Ritchie and Nigel Clarke. If the bid succeeds, Mr. Pearce will retire from the Board but continue his association with the company.

Two Hambros representatives, one of them Sir Ian Morrow, would join the CDP Board, Sir Ian as chairman. He said this week that CDP was a "good, profitable agency," though he agreed that its tax problems may have played a part in holding the bid price to £3.9m. The Revenue has said it intends to launch criminal proceedings against Collett, presumably as a result of inquiries into the affairs of the group prior to 1975. CDP has made a £600,000 tax provision against such a possibility.

"Collett's tax problems could lead to a tiresome court case and adverse publicity," said Sir Ian. "If that had not been in the offering, it is quite likely that the new company would have had to pay more."

ADVERTISING STANDARDS

Life under the Code

BY WINSTON FLETCHER

TO PARAPHRASE an old quip, the Lords Prayer contains less than 70 words while the just-published sixth edition of the British Code of Advertising Practice notches up around 30,000. Some 20 pages longer than the fifth edition, itself published only five years ago, the new code has been presciently spiral bound, doubtless to facilitate future expansion.

Having been generally reorganised and rewritten, it is difficult to compare the sixth edition with its predecessor. Additions include an injunction that future advertisements addressed to children should "wherever possible include the price of the product" (not, apparently, information which the code feels that adults require); and an innovatory regulation insisting that recruitment advertisements should "correspond to genuine vacancies, the existence of which can be fully substantiated." Neither amendment seems unduly onerous or objectionable.

Faith healing

On the other hand, in several instances the code has allowed its standards of rigorous consumer protection to become horrifyingly lax. There is no longer any prohibition on the sale of lucky charms and mascots by mail order, which is a frightening thought; there is no longer any reference to spiritual and faith healing advertisements, which will inevitably leave faith healers in a quandary as to what they can and cannot say; correspondence courses for remedial gymnasts, previously specifically verboten, no longer merit even a mention; likewise advertisements from "unregistered, unqalified practitioners describing themselves as manipulative surgeons," which in the fifth edition were clearly outlawed—and rightly, so you may think—are no longer allowed to sully the code at all. What does this portend?

Certain of the code's provisions which have remained unchanged are as mystifying as they have always been. Why on earth should advertisements for medicinal products be forbidden to "contain any offer to refund money to dissatisfied users?" Why are advertisements for judo correspondence courses totally beyond the pale? Why may cigarette advertisements neither "show a cigarette left in the mouth" (praiseworthy as this stricture may be on aesthetic grounds), nor depict spectators at any organised sporting occasion" (which seems fatuous)? Finally, my personal bête-noire, why are advertisements forbidden to emphasise the sedative effects of alcohol, despite it being a far superior sedative to most sedatives?

But these are trivial quibbles. The Advertising Standards Authority claims the code has been revised not to increase and tighten the fetters which bind advertisements, but to make it clearer, simpler, more relevant and easier to use. The resulting 80-page tome is hardly a fun read, but the ASA's objectives have in general been achieved.

> "Will the world be a better place now that the sixth edition of the Code of Advertising Practice has replaced the fifth? I remain sceptical. On the other hand, the way in which the ASA has gone about its task appears to have removed advertising from the political arena; for this relief, much thanks."

Admakers, and possibly consumerists, too, may nevertheless have one major reservation about the sixth edition. It includes an increasing number of regulations which express intentions, the interpretation of which must be left to the ASA and the Code of Advertising Practice Committee's discretion. Some degree of latitude is inevitable, indeed desirable, in any set of rules: questions of legality, honesty and truthfulness, for example, can be resolved reasonably objectively, whereas whether an ad is "decent" will always be nebulous, a matter of taste.

None the less, for the code to work effectively and not raise more arguments than it does, such areas of uncertainty must be strictly minimised. Unforunately, they seem to be growing. The above reference to including the prices of children's goods "wherever possible" is an example; so are several of the rules concerning financial advertising. ("Advertisers inviting direct response should take particular care to ensure thorough comprehension" almost invites legalistic, not to say metaphysical, disputes); and there are more, though admittedly not many, scattered throughout the text.

Time consuming

Finally we come to the crucial £1m per year or so question. Is all this expensive and time-consuming apparatus, to run controls about which the general public cares less than a fig, really necessary? Will the world be a better place now that the sixth edition has replaced the fifth? Personally, I remain sceptical. On the other hand, the thorough and balanced way in which the ASA has gone about its task appears, at least for the moment, to have removed advertising from the political arena. Like remedial gymnasts in the code, aggressive references to advertising have disappeared from the Labour Party's manifesto, and for this relief, much thanks.

Winston Fletcher is managing director of Fletcher Shelton Delaney.

Dentsu: $321m

DENTSU INCORPORATED of Japan emerges top-billing agency in the annual Advertising Age survey of the top international advertising businesses. Its billings are put at $2.2bn, for a gross income last year of $321m.

It is followed by J. Walter Thompson, $222m worth of earnings, Young and Rubicam ($204m), and McCann-Erickson ($200m).

According to Ad Age, for the first time the non-U.S. ad spend last year surpassed domestic U.S. advertising expenditure by American agencies. "A stronger business climate, increased ad budgets to meet soaring media costs as well as to fuel new marketing ventures and the appreciation of foreign currencies against the bedraggled dollar, combined to provoke this bit of chutzpah on behalf of the international ad scene."

● TOTAL NET advertising revenue of the ITV companies in March was £33.77m. This compares with £37.29m

Multiples gain two points —Nielsen

SPENDING in Britain's grocers totalled £11.26bn last year, according to Nielsen. This was £1.19bn up on the previous year—11.8 per cent.

The multiples lifted their share by two points to 53.3 per cent, says the research company, a sales gain of 16.3 per cent. The independents lost ground to show a below average sales gain of 5.7 per cent.

Nielsen is introducing a New Product Information service offering subscribers regular low-cost information on new brands and developments in the grocery, chemist, CTN, off-licence and cash and carry trades.

LOMBARD

Facts, forecasts and elections

BY PETER RIDDELL

ELECTIONS are never a time for statistical purity. Indeed, after only a week of proper campaigning eyebrows must already have been raised in the Treasury and the Central Statistical Office over the use of economic facts and figures during the election. But it has so far been more a case of confusion and ambiguity than outright distortion.

Starting at the top, Mr. Callaghan told a press conference at the beginning of the campaign that the total cost of the programmes set out in the Labour manifesto was £2.5bn, and that this also happened to be the size of the contingency reserve for 1982-1983. This attempt to demonstrate the responsible nature of Labour's promises has a number of flaws, mainly because it is almost impossible to cost many of the manifesto pledges at all precisely. It is not clear how far many of the commitments—for instance on transport and industry subsidies—are intended as extensions or additions to existing programmes. It is also unclear whether Labour proposes to maintain the real value of child benefits, which would be a substantial call on the reserve.

Misleading

But, even if it is accepted that the total additional cost would be about £2.5bn towards the end of the next Parliament, it is misleading to compare this figure with the contingency reserve in 1982-83. The whole point of having such a reserve is because of the need to cover contingencies and other requirements which cannot be properly quantified well in advance. The experience even in the period of relative stringency of the last three years suggests that there is no shortage of unplanned and unforeseen requirements for extra spending, chiefly industrial aid and job subsidies.

Last January's expenditure White Paper proposed a contingency reserve rising from £800m in 1979-80 to £2.5bn in 1982-83. Some of this reserve is likely to be allocated in the intervening period. But it would be foolish to commit all of it three years in advance. After all, the Treasury ministers have an annual battle to ensure that as much as £800m is left unallocated only three months before the start of a financial year.

On the Conservative side, there is no attempt to quantify the size of potential spending cuts or increases. Indeed, the whole language of the manifesto's discussion of public spending is that of the advertising man. There are references to "savings," "economies," "reduction of waste" and "reviews" of programmes, but hardly any mention of cuts. This may or may not affect voters' attitudes but it is no aid to understanding, though in subsequent statements Sir Geoffrey Howe has talked of the need for cuts in spending.

The best guide to Conservative intentions was provided by Mr. Nigel Lawson during the Commons debate on public spending on March 19. Mr. Lawson pointed out that both he and Sir Geoffrey had said that "it would be appropriate to bring public expenditure back in real terms to the level of 1977-78." This was £58.34bn, though it would probably be fair to add back the once-and-for-all impact of the sale of BP shares. So there is probably a gap of about £4bn between the 1977-78 outturn and the projected level of £63.2bn in 1979-1980 (even after deducting £2bn for likely underspending).

Both parties have so far been more explicit about their broad tax proposals. Perhaps the most contentious remark has been by Mr. Denis Healey with his claim, on several occasions, that he has managed to cut income-tax by £5bn in the last three years.

Fiscal drag

This is correct in the sense that the two Budgets of 1977 and the spring Budget of 1978 reduced income-tax by more than £5bn — actually nearer £5½bn even before allowing for the cut in the basic rate forced on the Government last year. But at least £2bn of these so-called cuts were adjustments in personal allowances and in higher-rate thresholds to take account of inflation merely in the previous calendar years—to offset the impact of what is known as fiscal drag. These adjustments do not amount to real cuts at all. Indeed much more of the £5bn would be swallowed up if the starting point for comparison was 1974, before the sharp increase in the tax burden in 1974-76.

German savers lose a tax battle

SAVINGS PUT into a family house are well protected against inflation. Owners of French impressionist paintings do even better. But savers have to pay income tax on interest which, in times of inflation, only rarely compensates for the diminishing purchasing power of the money in a deposit account.

Depositors everywhere have cause to grumble but often it seems, those who suffer least grumble most.

Of all the western industrial countries, with the exception of Switzerland, Germany is at the bottom of the inflation scale. Yet the German tax payers took their complaint against the taxing of interest right up to the Constitutional Court. The German Constitutional Court said the grumblers were wrong and the government was right. The decision was given on December 19, 1978 but it was only a few days ago that the full text of the judgment became available. It turns out to be a most valuable guide for anyone wishing to study the theories of indexation or planning to use this issue on the hustings.

The Constitutional Court's judgment was given in three joint cases* in which the plaintiffs, all private savers, attacked a number of decisions of the revenue authorities and of the financial courts. The Court's response to all the cases was unanimous. It said that the law valid in the period 1971-74 allowed no possibility of reducing or completely waiving income tax due on interest on the ground that the value of the deposit on which the interest was due had been diminished by inflation. Taxmen insisted that the tax must be levied on interest quite irrespective of the change in the value of the capital.

The plaintiffs, on the other hand, argued from the economic point of view, as opposed to a purely legal one, that interest should be seen as compensation for the reduction of the real value of capital in inflationary times. It ceased to be the fruit of the capital, or income, to use the taxman's term, they said. Faced with this confrontation of legal and economic issues the Constitutional Court plunged into both.

The Court was asked to find that the taxation of interest income offended the principles of equality, of ownership and of the welfare state, all guaranteed by the basic law of West Germany (constitution). The Court held that none of these principles were infringed and that the legislature remained well within its constitutional limits when levying income tax on interest from savings accounts. However, as far as the principles of equality of treatment and of the welfare state were concerned, this conclusion was reached mainly by considering the balance of advantages and disadvantages.

The Court took into account that the rate of inflation was diminishing—it was only 2.3 per cent at the time—and thought that the 7 per cent reached toward the end of 1971-74 was only a transient peak. But the emphasis on the relatively low rate of German inflation allows one to speculate that the decision might have been quite different if German inflation had been, at the time of judgment, around 10 per cent and rising.

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

The Court pointed out that the investor had many other opportunities open to him besides interest-bearing deposit accounts. If he wished to keep a certain minimum of ready cash in this way, he benefited from the provision that up to a certain limit interest income was tax free. Similar tax allowances existed for savings in the form of life assurance policies. Also it must be taken into account, said the Court, that savings account holders were not the only ones suffering from inflation.

It hit equally the entrepreneur who had to pay tax on the fictitious profit made on the disposal of machinery or products, with the result that after the replacement of machinery and raw materials at inflated prices the real value of his capital was reduced.

Finally, the Court drew an inflation balance-sheet for German households in 1976. Against deposits of some DM 850bn stood liabilities in the form of mortgages and consumer credit totalling DM 380bn. A 4.5 per cent rise in the retail price index had resulted therefore in a reduction of the real value of their net assets by only DM 20bn, that is 2.3 per cent of their gross assets.

The Court held that the German legislature could aspire only to rough justice as the circumstances of various categories of taxpayers, and even more those of individual taxpayers, differed greatly. Arbitrary or reckless measures which overstepped the legislative freedom of parliament would be unconstitutional. But it was not the business of the Court to judge whether in a particular case parliament had found the most suitable, most reasonable or most just solution. The principle that the burden of taxation should be distributed equally, in accordance with the taxpayers' ability to pay, would be infringed only if the taxation of interest resulted in so much unfairness that the failure of parliament to compensate for the diminishing value of money could be viewed as an overstepping of the limits to its legislative freedom. This, however, said the Court was not the case.

If the diminishing value of capital was offset by reduced taxation of interest, mused the Court, justice and the requirements of the revenue would make it necessary to tax the benefits derived from inflation by debtors. One could not stop—short of a complete indexation of the tax system—and this would lead further to an indexation of many other transactions and relations in the whole economy. That would not be possible without changing the law which safeguards German currency and makes indexation clauses in private contracts dependent on special authorisation. This legal obstacle could be overcome, but the Court was not sure whether there were any convincing arguments for indexation. Economists, as usual, cannot agree, and the Karlsruhe judges found that as many supported indexation as opposed it.

The Court was on much firmer ground when it turned to the complaint that the taxing of interest infringed the constitutional guarantees given to rights of ownership. It started from the premise that the German tax system was concerned with income and left capital out of consideration. Whatever changes were taking place in the value of capital, reasoned the Court, these were not caused by the taxation of interest. In fact, said the Court, the plaintiffs were not seeking protection against the taxman's attack on their capital but rather were they seeking compensation for the inflationary reduction in the value of their capital. But the Constitution, concluded the Court, did not oblige the Government to renounce revenue in order to compensate taxpayers for the falling value of the money.

Dealing with the complaint that the taxing of interest during inflationary times ran counter to the constitutional principle of a welfare state, the Court pointed out that in those exceptional cases where the taxpayer was completely dependent on his savings the tax law had provisions for mitigating cases of hardship. There were also numerous provisions giving tax advantages to people of moderate means deserving particular protection, though the plaintiffs had not claimed that they belonged to this group.

* 1BV/R: 376/76; 427/76; and 811/76.

Bananas Foster looks best bet

BOOKMAKERS, who could hardly have enjoyed a more lucrative 1978 season, when with Enstone Spark (35-1), Roland Gardens (28-1) and Julio Mariner (28-1) taking three of the classics, had they sat down and allocated the major prizes themselves, have made an encouraging start to the new campaign on the Flat through Tromos.

RACING

BY DOMINIC WIGAN

This afternoon at Newmarket they will be looking to Ela-Mana-Mou, Devon Ditty and One In A Million to give them further cause for optimism.

I shall be disappointed if Guy Harwood's Pulborough challenger, Ela-Mana-Mou, subject of a £50,000 to £3,000 Derby bet with Ladbrokes, fails to lift the Heath Stakes.

Devon Ditty may go down to One In A Million in the Ladbrokes Nell Gwyn Stakes. Concession of 7 lb by Devon Ditty to the unbeaten Rarity filly looks like being the deciding factor.

For the best bet backers may do well to wait until the closing event, the seven-furlong Rowley Maiden Stakes, run over the Dewhurst course. The twice-raced Bananas Foster can prove himself one of Michael Stoute's best prospects in what seems certain to be another profitable campaign for Beechhurst.

Second, at a length, to Sebastiano on his debut in a modest maiden event at Yarmouth for which he was made an odds-on chance, Bananas Foster was then sent to Ascot for the Clarence House Stakes.

There the striking Dewar colt, a $39,000 yearling purchase, could never get in a blow at Tromos, and, tiring inside the final quarter-mile, fell back to finish third, a long way adrift of the uneasy Two Thousand Guineas favourite.

His performance came as a disappointment to many, but I feel that he might well have run a creditable second—and, possibly, given the winner a tussle—had the combination of fast ground and greenness not gone against him.

Today we should discover whether Bananas Foster is capable of going on to take his chance in Group races, for the opposition includes Born To Reason, a once-raced Pitskelly colt who showed up well in a Kempton event won by Ela-Mana-Mou, as well as Biskah's half-brother, Get Stoned and Chronicle runner-up to Martial Arts in a 23-runner maiden race at Newbury.

NEWMARKET
2.00—Welcombe
2.35—Elmanoak
3.05—Ela-Mana-Mou**
3.35—One In A Million
4.05—Neparree*
4.35—Bananas Foster***

Scheel's degree

The President of West Germany, Herr Walter Scheel, is to receive an honorary degree from Bristol University at a ceremony on July 10.

TV Radio

† Indicates programmes in black and white.

BBC 1

9.55 am The Wombles. 10.00 Jackanory. 10.15 Laff-a-Lympics. 10.35-11.00 Why Don't You ...? 12.40 pm News. 1.00 Pebble Mill. 1.45-2.00 Mr. Benn. 3.55 Play School. 4.20 Boss Cat. 4.45 Screen Test. 5.05 John Craven's Newsround. 5.10 Blue Peter.
5.40 News.
5.55 Nationwide (London and South-east only).
6.25 Nationwide.
6.55 Tomorrow's World.
7.20 Top of the Pops.
7.55 Blankety Blank.
8.30 Living Legends: Dick Turpin.
9.00 Conservative Party Election Broadcast.
9.10 News.
9.40 The Mourning Brooch.
10.40 Campaign Report '79.
11.20 Most Wanted.
12.10 am Weatherman/Regional News.

All regions as BBC-1 except at the following times:—

Scotland—5.55-6.15 pm Reporting Scotland. 6.15-6.55 On The Spot. 12.00 News and Weather for Scotland.

Wales—5.55-6.25 pm Wales Today. 6.55-7.20 Heddiw. 12.00 News and Weather for Wales.

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55-6.25 Scene Around Six. 8.30-9.00 Spotlight. 12.00 News and Weather for Northern Ireland.

England—5.55-6.25 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Nationwide (London and South East); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00-11.25 Play School.
4.50 pm Open University.
6.55 Snooker.
7.20 Cartoon.
7.30 News.
7.40 When The Boat Comes In.
8.30 Rhythm On 2, with Marian Montgomery, Richard Rodney Bennett.
9.00 Election Broadcast.
9.10 Portrait of a "Terrorist": Dr. Robert Mugabe.
10.00 Snooker.
10.50 Grapevine.
11.20 News and The Hustings.

LONDON

9.30 am Noddy. 9.40 Barney Google and Snuffy Smith. 9.55 Curved Air: Hang gliding. 10.20 Mighty Moose and the Quarterback Kid. 11.10 Oscar Peterson Presents. 11.35 Showjumping with Harvey Smith. 12.00 Gideon. 12.10 pm Stepping Stones. 12.30 The Cedar Tree. 1.00 News. 1.20 Thames News. 1.30 Crown Court. 2.00 Money-Go-Round. 2.25 Racing From Newmarket. 3.50 Oh No It's Selwyn Froggitt. 4.20 Little House on the Prairie. 5.15 Gambit.
5.45 News.
6.00 Thames At Six.
6.35 Crossroads.
7.00 The Bionic Woman.
8.00 Leave It To Charlie.
8.30 TV Eye.
9.00 Election Broadcast on Behalf of the Conservative Party.
9.10 Hazell.
10.10 News.
10.50 Thames Report.
11.20 Lou Grant.
12.20 am What the Papers Say.
12.35 Close: Jo Maxwell Muller.

All IBA programmes as London except at the following times:

ANGLIA

9.35 am The Bubbles. 9.40 Butlin's Grand Masters Darts Championships. 10.10 England Their England. 10.35 Woody Woodpecker. 11.00 Solo One. 11.25 Cartoon. 1.25 pm Anglia News. 3.50 Give Us a Clue. 4.20 The Next Week Show. 4.45 The Beachcombers. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.20 Arena. 7.00 Survival. 7.30 Mind Your Language. 10.50 The Didn't Quite Make It For Christmas Video Show. 11.30 "Blind Terror" (film), starring Mia Farrow. 12.55 am The Living Word.

ATV

9.35 am Survival. 10.00 Butlin's Darts Championship. 10.30 Tennis with Mark Cox. 10.45 Showjumping with Harvey Smith. 11.10 Pest! Hammerman's After You. 1.20 pm ATV Newsdesk. 3.50 The Electric Theatre Show. 4.20 Jonny Quest. 4.50 Island of Adventure. 6.00 ATV Today. 7.00 Emmerdale Farm. 7.30 Survival. 10.30 Format V. †11.00-12.55 am "Repulsion" (film), starring Catherine Deneuve, Ian Hendry.

BORDER

9.30 am Cartoon. 9.35 Friends of Man. 10.00 Lost Island. 10.25 Woody Woodpecker. 10.45 Man from Atlantis. 1.20 pm Border News. 3.50 Give us a Clue. 5.15 Call It Macaroni. 6.00 Lookaround. 7.00 Emmerdale Farm. 7.30 Survival. 10.50 Chuckleheads. 11.20 Power Without Glory. 12.20 Border News.

CHANNEL

1.18 pm Channel News. 3.50 Give Us a Clue. 6.00 Channel News and Weather. 6.10 Link Up. 7.00 Chips. 10.48 Channel News and Weather. 10.55 Chopper Squad. 11.25 McCloud: The Moscow Connection. 12.45 am News and Weather in French.

GRAMPIAN

9.45 am First Thing. 9.50 Tarzan. 10.45 Space 1999. 1.20 pm Grampian News. 5.15 University Challenge. 6.00 Grampian Today and Weather. 7.00 Scottish Nurse of the Year Final. 7.30 The Electric Theatre Show. 10.50 They Happened to Me. 11.20 Police Newsroom. 11.25 The New Avengers. 12.20 am Reflections. 12.25 Grampian Headlines.

GRANADA

9.30 am Sesame Street. †10.25 "The Lion Has Wings" (film), starring Merle Oberon, Ralph Richardson and Flora Robson. 1.20 pm Dodo. 3.50 Champions' All International Gymnastics Tournament. 4.20 Life and Times of Grizzly Adams. 5.10 Captain Nemo. 5.15 Crossroads. 6.00 Granada Reports. 7.00 Emmerdale Farm. 7.30 Makin' It. 10.50 What's On. 11.20 What the Papers Say. 11.40 The Streets of San Francisco.

HTV

†9.55 Knight Without Armour. 1.20 pm Report West Headlines. 1.25 Report Wales Headlines. 3.50 Give Us a Clue. 4.20 Bailey's Bird. 4.50 Wyatt's Place. 5.15 Jobline Newsdesk. 5.20 Crossroads. 6.00 Report West. [illegible] 7.00 Fantasy Island. 10.55 Gallery. 11.25 Side Street.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 pm Penawdau Newyddion Y Dydd. 4.50-5.15 Seren Wib. 5.15-5.20 Cartoontime. 6.00-6.15 Y Dydd. 10.55 Bywyd. 11.55 Maggier and Her.

HTV West—As HTV General Service except: 1.20-1.30 pm Report West Headlines. 6.00-7.00 Report West.

SCOTTISH

9.30 am Vera the Beautiful Spy. 9.55 The Train. 10.20 Take a Bow. 10.40 A Sense of Theatre. †1.25 pm News, Road and Weather. 3.50 Give Us a Clue. 5.15 Popeye. 5.20 Crossroads. †6.00 Scotland Today. †6.30 Garnock Way. †7.00 Scottish Nurse of the year. 7.30 Survival. †10.55 Late Call. †11.00 Two and Two. 11.30 Pro-Celebrity Darts. 12.00 George Hamilton IV.

SOUTHERN

9.30 am Rovers. 9.55 Cash and Company. 10.45 Space 1999. 1.20 pm Southern News. 3.50 You're Only Young Twice. 4.20 Life and Times of Grizzly Adams. 5.15 Melotoons. 5.20 Crossroads. 6.00 Day by Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 This is Your Life. 10.50 Southern News. 11.00 Streets of San Francisco. 12.00 What the Papers Say.

TYNE TEES

9.25 am The Good Word followed by North East News. 9.30 The Lost Island. 9.55 "Hell Drivers" (film), starring starring Stanley Baker. 1.20 pm North East News and Lookaround. 3.50 Give Us a Clue. 4.20 Beachcombers. 4.45 Little House on the Prairie. 6.00 Northern Life. 6.35 Crossroads. 7.00 Emmerdale Farm. 7.30 Jack on the Box. 10.50 Double Top. 11.25 Richie Brockleman, Private Eye. 12.25 am Epilogue.

ULSTER

10.10 am "Pufnstuff" (film), starring Jack Wild and Mama Cass. 1.20 pm Lunchtime. 3.50 Give Us a Clue. 4.18 Ulster News. 4.20 Dynomutt. 4.50 Bailey's Bird. 5.15 Cartoon. 5.20 Crossroads. 6.00 Good Evening Ulster. 6.50 Police Six. 7.00 Emmerdale Farm. 7.30 Survival. 10.50 Counterpoint. 11.20 Thursday Night. 11.25 Barnaby Jones. 12.20 am Bedtime.

WESTWARD

9.30 am Friends of Man. 9.55 Conquest of the Sea. 10.45 Space 1999. 1.20 pm Westward News. 3.50 Give Us a Clue. 6.00 Westward Diary. 7.00 Chips. 10.52 Westward News. 10.55 Preview West. 11.25 McCloud—The Moscow Connection. 12.45 am Faith for Life. 12.50 West Country Weather.

YORKSHIRE

9.30 am Adventures of Sir Edmund Hillary. 10.00 Pipkins. 10.15 Tarzan. 11.10 Record Makers. 1.20 pm Calendar News. 3.50 Tell Me Another. 4.20 Rocket Robin Hood. 4.45 Little House on the Prairie. 6.00 Calendar. 7.00 Emmerdale Farm. 7.30 Survival. 10.50 Pro-Celebrity Darts. 11.20 Fantasy Island. [illegible]

Radio Wavelengths

[illegible]

RADIO 1

[illegible]

RADIO 2

[illegible]

RADIO 3

[illegible]

RADIO 4

[illegible]

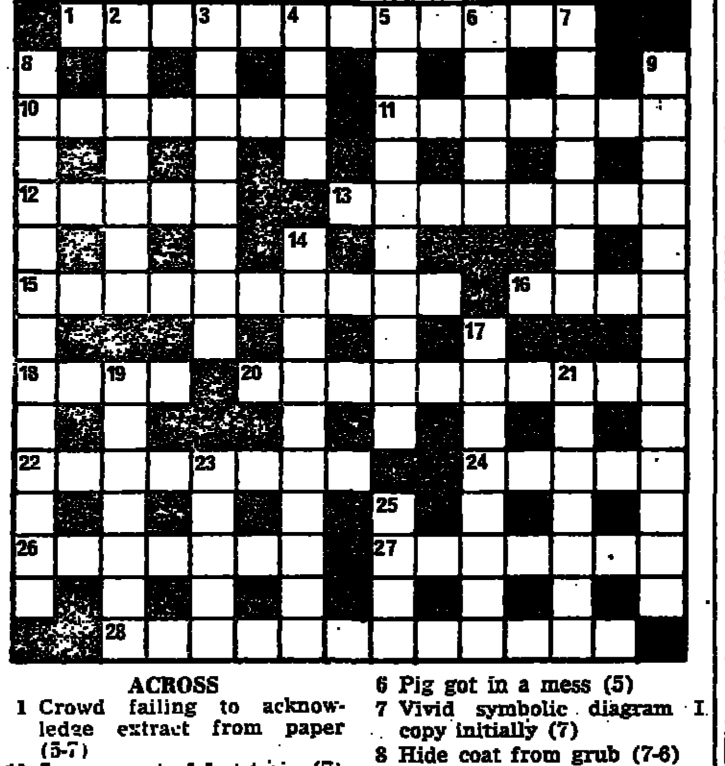
London Broadcasting

[illegible]

Capital Radio

[illegible]

F.T. CROSSWORD PUZZLE No. 3,950



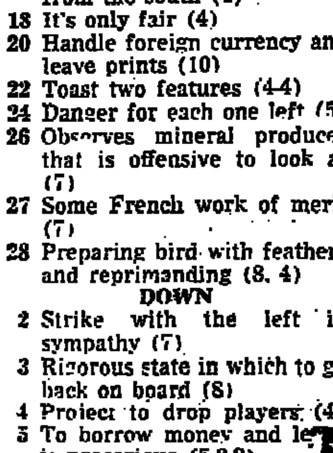
ACROSS

1 Crowd failing to acknowledge extract from paper (5-7)
10 Squeeze out of fast train (7)
11 Promote well-versed class (7)
12 Sharp hard part from post-horn (5)
13 Temperature making Caucasian angry (5-3)
15 Taking out essence with mixed gin (10)
16 Make a mark on vehicle from the south (4)
18 It's only fair (4)
20 Handle foreign currency and leave prints (10)
22 Toast two features (4-4)
24 Danger for each one left (5)
26 Observes mineral producer that is offensive to look at (7)
27 Some French work of merit (7)
28 Preparing bird with feathers and reprimanding (8, 4)

DOWN

2 Strike with the left in sympathy (7)
3 Rigorous state in which to go back on board (8)
4 Project to drop players (4)
5 To borrow money and [illegible] is precarious (5-3-2)
6 Pig got in a mess (5)
7 Vivid symbolic diagram I copy initially (7)
8 Hide coat from grub (7-6)
9 Whereon children slide in a confused medley (6-7)
14 Undress in eastern ship showing irregular lines (10)
17 Suggested professional stood on top of dais (8)
19 Send round gratuity for salary (7)
21 Warm and dry gang responsible for flights (3-4)
23 Shut up and come together (5)
25 Love loud noise? God! (4)

Solution to Puzzle No. 3,949



ENTERTAINMENT GUIDE

OPERA & BALLET

[illegible]

THEATRES

[illegible]

CINEMAS

[illegible]

ART GALLERIES

[illegible]

TRAVEL

THE ARTS

Theatre de la Ville, Paris

Birtwistle's . . . agm . . .

by DOMINIC GILL

Harrison Birtwistle's new . . . *agm* . . . jointly commissioned by the French Cultural Ministry and the Ensemble InterContemporain of IRCAM, *was given its first performance* by the Ensemble with the John Alldis Choir under Pierre Boulez in Paris last week.

It is a major work, about half an hour long, for 25 instruments and 16 voices, which takes as its text—like Birtwistle's earlier *Entr'actes and Fragments* of 1965 or the *Cantata of 1968*—a collection of fragments of Sapphic poetry. The title is intentionally ambiguous. . . agm. . . is a fragment of the word "fragment," both in English and (*agma*) in Greek. It also echoes the name of Agamemnon, often a powerful implicit presence in Birtwistle's music, but here a specific link. *The* composer identifies one of the central images of the Aeschylean drama, that of the hunting-net *of death*, with the implacable metre of Sappho which, like a net, draws together, and provides a key to the meaning of, the surviving fragments of her poems. Many of the words included in the series of fragments chosen by Birtwistle *indeed* contain only the letters "agm." They are mostly sung in the original Greek: but like the fragments as read, they are not necessarily to be understood—*the sense* is incomplete, evocative only.

These several layers of reference are also reflected in the music—which does not so much "set" or illustrate the text as use its symbolic resonance, integrated with the score, as a parallel instrument. The words are themselves fragments of larger fragments, tantalising remnants and shadows of part *of a much larger whole*. In his score, Birtwistle sometimes makes musical fragments of a larger gesture: the sheet is torn, as it were, and only a part, the beginning, middle or end, emerges of a phrase or harmony previously heard whole. But more often the scheme is reversed. He begins, as he so often begins in other works, from first principles: an efflorescence of tiny motifs, single notes, basic cells, which grow *outwards in all directions*, expand, contract, grow new thematic branches, shed subsidiary shoots. We see the fragment first, and then its shape and place. And there is the implacable metre: Sapphic ostinati in one guise or another, sometimes vigorously, sometimes in slow ceremonial procession, underpin every measure of the piece.

The scoring is for an ensemble of four distinct groups: a choir of 16 solo *voices*; a *group of eleven* instruments of high register, strings, flutes, clarinets and high brass; another of nine in the lower registers, cellos, bass reeds and brass; and a group of six instruments who "punctuate" their progress (Sappho wrote her poems in capitals running on without lines or *punctuation*), three percussionists, piano and a pair of harps.

The plan of the music is very simple, but its working is *remarkably* complex—a rich and subtle canvas elaborated from *only* a handful of prime rhythms, prime colours. The structure is verse-like, episodic (Birtwistle's first published work, the *Refrains and Choruses* for wind quintet of 1957, revealed an interest in *verse-form* that has been a mark in one way or another of much of his subsequent music). But at every level—rhythmic, harmonic, melodic, textural—there are powerful connecting links. The harmonic scheme especially gives a strong sense of continuity: a mesh of unisons, octaves, fifths and fourths, emphasised by the spacing of the two main instrumental groups a fifth apart, is the basic harmonic ground from which new patterns, slow petals or sudden whiplash tendrils, emerge.

The voices begin alone, unfolding upwards and downwards from the E-natural above middle C, with a slow statement of themes, rhythms and counterpoints in shifting blocks made out of groups of little ostinati. As the instruments join them, the tension increases. There is much abrupt comment, explosive punctuation, above deep grounds of fourth- and fifth-note pedals. There are climaxes, sometimes wild, sometimes sombre, of *great physical presence*: a thrill of brass, mirrored by the percussion, that runs across the width of the ensemble and back, then vanishes into a huge, echoing *silence*; a sudden descent into the depths, dark humming of cello and double-bass, answered by the growl of a tuba in its lowest register; a babel of voices that throws out first one, and then another, soprano melisma like fluttering streamers high above the crowd.

I found it a rich, dense and powerful work—though the Paris audience greeted it with *no more than mildly puzzled* politeness. To be sure, . . . *agm* . . . is not an easy piece: it has sharp edges, and is made of hard metal—tougher stuff *entirely than the cloudy* academic vapours spiced with quick-sell melodrama of which Gerard Grisey's *Modulations*, next in the evening's programme *was made*. The impact is sharp, and cuts with Xenakis-like insistence—no direct parallels are implied, but only a kind of kinship: in the physi*cal presence of the music*, the violence of its contrasts, its earthbound urgency and starkness, and in its preoccupation with the growth from seed of efflorescent, arborescent forms. The performance under Boulez had been superbly prepared, unflagging and exact: an exciting *tour de force* from voices and instruments alike. London audiences can hear . . . *agm* . . . next *September, when the* Ensemble InterContemporain under their new resident conductor Peter Eotvos visit the Proms.

Harrison Birtwistle and cat

Royal Shakespeare Theatre

Cymbeline

by B. A. YOUNG

The common objection, that *you can't get a convincing plot* from a mixture of Holinshed's history with an Italian intrigue from the Decameron, is partly despatched in David Jones' production by depriving the play of any suggestion of period. There *is no* scenery for the scenes in Britain, save when, halfway through Act 3, we come on Belarius and his two adopted sons living in an outcrop of Wagnerian rocks. Christopher Morley's costumes are *not so much of no time as* of every time, ranging from an ankle-length robe for Jeffrey Dench's noble King Cymbeline and uniforms for the invading *Roman legions that might have* been designed for the SS. They look good, but there is no doubt about it, we are not expected to treat this tale as anything but fiction.

Romance or history, the trouble is that the story comes to an end too soon—the first story, that is, the story of Iachimo's bet that he will seduce the exiled Posthumus' wife Imogen. The subsequent semi-historical bit about Cymbeline's denial of tribute to the Romans, and the unexpected victory over the Roman soldiers with the help of the King's long-lost sons, this is hardly at all relevant to what has come before, even though the same *characters come into it*. It is also too full of loose plotting to hold the attention if the first bit has been reasonably well played.

Reasonably well played is as much as I can say for it. Imogen is a great part for Judi Dench, and she makes her a *meddlesome girl; but Roger Rees is a* thin-blooded Posthumus who deserves all he gets, and it is *clear as soon as we meet Ben* Kingsley's sharp, intelligent Iachimo that he will win any wager he undertakes. Possibly the intention is to hold up the *simple*, honest Briton as an example against the tricky Italian; but I think we might have to put a stronger champion in the field. Cloten is *played by Bob Peck solely for* laughs, a great oaf with a faint lisp and a weakness for camp attitudes; very well played too, and it was hardly fair that the *biggest laugh of the evening* came after Polydore (Tim Brierley) had cut his head off.

There is a delightful performance by Heather Canning of the Queen, whose evil is cunningly transmuted into mischief. I almost expected her to wink at me as she handed over the poison to Geoffrey Hutchings' Pisanio.

If we had had any temptation to believe that we were assist*ing at history*, Mr. Jones wisely whisked us back into romance with his battle (arranged by Noel Sheldon) in which the conflict was represented by the *waving of great coloured* banners—a fine sight, and as much like a battle as the average Shakespearean clash of swords and pikes. It got us in the mood for the descent of Jupiter, a shining globe mounted upon a simple but huge cloth eagle.

I would have said that this was one of the easiest plays to curtail with no artistic loss, but a pretty complete text is played that takes well over three hours before the several ends are ritually, if rather clumsily, tied up. I suppose the company has to do this play now and then. I think they are wise to get it done early in the season.

Roger Rees and Judi Dench — *Leonard Burt*

Festival Hall

Barenboim's Bruckner

by MAX LOPPERT

Daniel Barenboim and the London Philharmonic Orchestra played Bruckner's Seventh Symphony on Tuesday evening, and made a meal of it. Barenboim's way with Bruckner is to speed him up and slow him down, often just where the score markings require the converse course of action; to linger with luscious immediency over musical imagery and rise hotbloodedly to every climax.

The natural length of each movement was not sought out, the natural flow never discovered. Of its kind, and apart from the passing fluffs of execution to which the long Bruckner symphonies are prey, the performance was very confidently made. But it was a "secular" kind, which captured neither the glow of faith that prompted the music nor the long expanses and radiant resumptions of E major, in which that faith is achieved.

The Adagio was long, meas*ured by the clock*—uncomfortably long, in fact—and shortwinded by any other measurement. The simple F major delights of the third movement trio were rendered as a purple passage of nuanced phrasing and rich string tone. Robert Simpson has written that the structure of the symphony "benefits greatly from steadily maintained tempi, so that the evolution of the work may unfold itself naturally and clearly, without distraction;" this interventionist account of the work, intensely sincere and earthbound in equal parts, might have been designed to prove the validity of Dr. Simpson's words by demonstrat*ing the limitations of the opposite* kind of interpretation. Also on the bill was Liszt's A major Piano Concerto, in which Alfred Brendel's playing was notable for the combination of scruple and want of dramatic involvement that so often marks his live concerto readings these days.

Riverside Studios

The Paper Bag Players

by MICHAEL COVENEY

The most famous of American children's theatre companies begins a British tour with two weeks of afternoon performances in Hammersmith and I must say that, even allowing for my overpowering indifference towards this sort of entertainment (children of between five and 10 years are the object), reputation would seem to be belied by the hard evidence of performance.

As the group's *name implies*, properties and scenery are kept to a cardboard minimum, with sheets of paper and brown boxes pressed cheerfully and rather haphazardly into service while the cast of four scurry around in their primary-coloured jerseys in a sequence of sketches designed to raise the *happiness* quotient in the audience. The odd sketch does, admittedly, contain a serious point or two about urban life—the litter man is wrapped up and swept off *in his own garbage*, air travel is shown to be just as frustrating as going by stagecoach—but nothing too obtrusive or, to be frank, original.

Children's theatre in this country has been taken up as a cause by David Wood, whose enchanted tales represent a tradition the Paper Bag Players have long since denied. But wheels have a habit of turning. The essential Paper Bag style has been appropriated here by such outstanding television programmes for children as *Play School*, *Playaway*, and all the rest of them. I imagine that, for a change, children would much prefer to have a spot of colour and mystery in the theatre, such as the Arts Theatre can sometimes provide.

The company, looking very pleased with itself, is still led by Judith Martin and Irving Burton, and the tuneless, jumpy plink-plonk on the electric piano is the work of Donald Ashwander.

Walter Gore

The death of Walter Gore on Sunday April 15 was announced from Spain where he had been working and teaching since last autumn. Born in Waterside, Scotland in 1910, Gore was, *as he said of himself*, "never completely lost in the embrace of Terpsichore" because his upbringing was that of "an actor born of generations of actors." *Nevertheless*, he played a most influential role in the early days of British ballet as a dancer—working with Marie Rambert's Ballet Club, and then with the Vic-Wells Ballet, for which he created the role of the Rake in de Valois' *The Rake's Progress*—then becoming a distinguished choreographer.

His first ballets were made under the aegis of the Ballet Rambert, of which he was also a principal male dancer before *and after war-time service* in the Royal Navy. Such ballets as *Simple Symphony*, *Mr. Punch*, *Winter Night* and *Antonia* established him as an outstanding creative artist, during a time when he was also dancing major roles: William in *The Sailor's Return* and Albrecht in the now celebrated Rambert *Giselle*.

In the post-war years he worked in Australia, then returned to Britain to form his own company, with his wife, Paula Hinton, a most gifted dramatic ballerina, as his Muse for many creations. Gore was a skilled choreographic craftsman, able to produce witty or dramatic ballets with exemplary professionalism: at his best, in such widely differing works as *Eaters of Darkness* or *Street Games* or *Night and Silence*, he had few rivals in sharpness of dramatic expression and an ebullient humour.

But for a creator not per*manently attached to one of the* established British companies, life perforce meant constant travel in staging works round the world, and for the past two decades British ballet has been vastly the poorer because Gore and Paula Hinton were too rarely used in their homeland. Yet whatever the ingratitudes of the past few years, Walter Gore's place as one of the great figures of British ballet is secure. He was a man of unaffected charm, and unquestioned talent; and we can ill afford to lose him.

CLEMENT CRISP

Down Mexico way

by WILLIAM WEAVER

The day before I got to Mexico City there was an earthquake, and when I arrived the inhabitants were, quite literally, plastering over the cracks. The city is sinking, disintegrating, and furiously expanding (I am told it is now the largest city in the world). The smog is lethal; public transport—except for the miraculously clean and incredibly crowded underground—is inadequate, inefficient. But tourism is booming, the hotels are packed, more and more fancy restaurants in the "pink zone" (Mexico DF's Via Veneto) are crammed together in gaudy confusion.

One important element in the tourism explosion is surely the Ballet Folklorico (familiar to London audiences thanks to its frequent tours). It has now been divided into two troupes, one constantly on the road, the other permanently here in the Palacio de Bellas Artes, where—to be sure that no package of visitors is overlooked—the company actually performs at 9 am on Sunday, before the audience is escorted to the flea market. There are also performances every night, of course.

The Palacio de Bellas Artes is a splendid building, constructed over a number of years, in fits and starts connected with the country's shifting political situation. The exterior is in elaborate Beaux Arts style (reminiscent of the central railroad station in Milan, for instance); the interior is grand, but not vulgar Art Deco. The main theatre, used for the Folklorico as well as for operas and concerts, has a splendid stained glass curtain made by Tiffany. Unique, the curtain is not always visible; so it is worth going to the Folklorico just to see it. The glass scene is the Valley of Mexico as it was before the city's existence. The curtain can be rear-lighted—and before the ballet begins—the theatre's lights man creates a kind of light show, taking the scene from dawn to dusk, as Tiffany's subtle colours move from a muted pastel glow, to dazzling radiance, to magical near-darkness.

Though the Folklorico is the Palacio's best-known attraction, it is not the only one. During my short stay, I attended an enjoyable performance of *Rigoletto*, with an almost entirely local cast (only the Duke, Raffaele Cardone, was an importation, and he might better have been left in the Italian provinces, from which he came). There were some *crudities in the orchestral playing*, under Fernando Lozano, and some awkwardness in the staging, which gave excessive prominence to the comprimarios and the supers (in the first act, for a while, Count Ceprano *seemed the protagonist*). But, in the end, the enthusiasm of the performance was communicated to the audience, which was obviously having a fine time. One could only succumb to the general good humour.

The theatre is also the seat of the Orquesta Sinfonica Nacional. Its spring season, still in progress, features a series of guest appearances by prominent Latin-American conductors, and, so the concert I heard *was in the hands of the* young Venezuelan Eduardo Rahn. The programme was more flashy than profound. It included Strauss's *Death and Transfiguration* (which the orchestra negotiated with admirable fluency), the Ravel G-major piano concerto (the Uruguayan Jorge Noll was the nimble, rather detached soloist), and some youthful dances, from the ballet *Estancia*, by Ginastera. A little octet—*Ocho por Radio*—written in 1934 by the Mexican composer Silvestre Revueltas gave some individual members of the orchestra a chance to prove themselves: the trumpet *and the clarinet were* particularly impressive.

In the fine arts department, the Palacio is currently sponsoring three good-sized shows. One is the internationally popular Scythian Gold array; the other two are devoted to Mexican artists. The more significant is Saturnino Herran, who died in 1918 at the age of 31. Two hundred items—sketches, oils, water-colours, *photographs*, and memorabilia—offer a comprehensive restrospect view of this seminal figure in Mexican painting (and culture: Herran was a *friend of writers and poets*). Like his contemporaries and successors, Rivera, Orozco, Siquieros, Herran thought big. His major works were vast murals, here indicated by numerous sketches, both in pencil and in oils. The tone, however, is less aggressive than that of the artists just named; the style is more traditional (from Beaux-Arts to a timid Klimt). While Rivera and company, whose works glare at you from the walls of every public building in the city, now often seem bombastic and dated, Herran's work, in the 60 years since his death, has somehow mellowed, and its sweetness is appealing.

As everyone knows, the greatest place in this city is the National Museum of Anthropology, with its vast collection of pre-Columbian art and its comprehensive display of Mexican indigenous art and artefacts. The handsome building also houses temporary shows, and at present a large section of the ground floor, preceding the Museum's permanent collection, *is given* over to a Victor *Hugo exhibition*. It was surprising and illuminating to encounter the author of *Le Roi s'amuse* just after a performance of *Rigoletto*, the play's operatic transmogrification. Hugo was aware of Mexico (little escaped his all-consuming curiosity): he opposed French intervention there and wrote a stirring open letter to the oppressed people of Puebla. He *also pleaded with Juarez*, unsuccessfully, to spare the life of poor Maximillian. These associations are illustrated in the concluding rooms of this show. *The others narrate Hugo's life*, in a cogent arrangement of rare documents, paintings, drawings (some by Hugo himself and by his wife), diaries, first editions. It is an excellent show, indicative of the healthy, vigorous cultural life in this city.

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Intervening in industry

THE PRIME MINISTER'S distaste for the way the capitalist system works was apparent earlier this week when he spoke about the problems of Prestcold, the refrigeration company which BL is trying to sell. The suggestion that BL might close two of Prestcold's chronically unprofitable plants in Glasgow is apparently unacceptable to Mr. Callaghan, so the Government may instruct the National Enterprise Board to take over the whole of the company and keep the Scottish plants open. This would be a curious transaction, since the NEB already owns, through BL, all but a tiny proportion of the Prestcold business. It is hard to see how the change of ownership can improve the prospects of the two Scottish plants. But it will keep everyone busy for the next few weeks and ensure that no real decisions are taken until after May 3.

Price controls

As an election stunt the "rescue" of Prestcold has its attractions. It is presumably meant to show that the Labour Party is always prepared to put the wider interests of the community (or at least a community) over the narrow *considerations of profit and loss* which constrain even a state-owned company like BL.

Unlike some of his colleagues, Mr. Callaghan does not want to change the capitalist system in any radical way. He merely wants to be able to intervene at any point in the system where he feels that the interests of some group which he wishes to protect are threatened. It is this philosophy which underlies Mr. Roy Hattersley's remarks yesterday about the proposed strengthening of the Price Commission's powers. Among other things, he said, the Price Commission will be able to require reductions in prices and to conduct investigations into the prices of specific goods and services even when there is no application for a price increase.

The practical effect of these changes will depend on the people running the Price Commission and on the directions they receive from Ministers. But the impression which Mr. Hattersely is trying to create is of a willingness on the part of a Labour Government to place greater restrictions on industry's pricing decisions and to guard against excessive levels of profit, whatever they may be.

Now the only respectable argument for the existence of a Price Commission is as an instrument of competition policy, carrying out short-term inquiries into particular exercises of market power while the Monopolies Commission is concerned with longer-term studies of structure and performance. There are many areas of the economy where competition needs to be sharpened and there is room for improving the effectiveness of existing machinery for promoting competition. But the great danger with the Price Commission in its present and projected form is that it becomes a political instrument, intervening in industry in a wholly arbitary way and using criteria which have very little to do with competition.

Arbitrariness is the hallmark of the Labour Government's approach to industry. Ministers do not want to be bound by rules which limit their ability to intervene. If enough people make a loud enough noise about, say, a proposed price increase or a threatened factory closure, Ministers can choose to involve themselves in the matter and seek to gain whatever kudos is available. More and more industrial problems become the subject of Cabinet-level debate, with the result that decisions take longer to reach and the *outcome depends more on the* strength of the various lobbies than on economic realities.

Would life be any different under the Tories? Mrs. Thatcher seems determined to dismantle much of the apparatus of intervention which has been built up since 1972, but there are influential voices in the Party which argue that the Government cannot sit on the sidelines while British industry sinks without trace. Presumably Mrs. Thatcher regards the Heath Government's attempt to save the motor cycle industry as a mistake. But is she prepared to let market forces prevail and to allow British industry to find its own level, even if this means the demise of sectors which play a major part in the country's export performance?

Dismal record

There are some industrial crises which, in practice, no government can ignore. But it is important, first, to recognise the dismal record of government intervention over the past 20 years and, second, to establish and adhere to some clear groundrules under which the intervention can take place. Arbitrary Ministerial intervention to correct the alleged failings of the capitalist system have no other consequence but to make the system work less well.

Saudi Arabia sets limits

SINCE the era of substantial, endemic oil surplus came to an end at the beginning of this decade the industrialised countries, in particular the U.S., have lived with bte reassuring assumption that Saudi Arabia would for the indefinite future do its best to satisfy rising demand. It was also taken for granted that it would indefinitely use its weight as a producer to moderate price increases. For this the Kingdom itself has been largely responsible. Seven years ago it was talking in terms of raising its capacity to 20m barrels a day. For some years now, it has been apparent that it would not be prepared to go so far to meet the consumers' needs. Even so Saudi Arabia's continued efforts to restrain extremist presures within the Organisation of Petroleum Exporting Countries has tended to pepetuate an assumption that over the past year has become an illusion.

Senate report

Nothing could have emphasised this fact more explicitly and dramaticalyl than the report now officially released by the U.S. Senate Foreign Relations Committee. It concluded that the Kingdom would not be able to restrain other producers in future by any increase in its own production—even if it were willing to. Drawing upon subpoenaed documents from two American oil companies that belong to the consortium operating Saudi Arabia's main fields, it estimated that their effective capacity might not reach 12m b/d until 1987 and perhaps not even then.

That, certainly, is the most pessimistic prospect. It is based on calculations, relating to reservoir pressures, about ensuring the longest possible life for the fields and maximum ultimate extraction from them. The Saudi Government has taken issue with previous leaks *from the Senate report and* suggested that they were inspired by pro-Israeli elements seeking to cast doubt on the Kingdom's ability to accommodate the world's requirements and to undermine its "special relationship" with the U.S. However, the most optimistic Saudi forecast over the past six months has been a sustainable capacity of rather less than 12m b/d by 1980-1.

Conservation

For the time being Sheikh Yamani has suggested that the highest "reasonable" rate, on technical grounds, from the fields operated by the Arabian American Oil Company would be no more than 9.5m b/d, the level maintained during the first quarter to make good the breakdown in Iranian exports. This judgment may have been conditioned by a heightened and justifiable concern about conservation. Equally, it could reflect Saudi reluctance to produce more for fear of offending other members of OPEC, especially the Arab producers which constitute its majority. Saudi Arabia has reasserted its refusal to participate in a production programme but has reimposed the 8.5m b/d ceiling in force during 1978. This will have the effect of supporting *price increases set by other* members, far higher than the basic 14.5 per cent rise over last year's level to which the Kingdom is adhering.

Speculation has inevitably been prompted that Saudi policy has been influenced by its dissatisfaction with the Egyptian-Israeli peace treaty signed last month. In its anxiety to preserve its friendship with the U.S., while at the same time aligning itself with the pan-Arab mainstream, the Kingdom would never admit as much. Although it subscribed, with misgivings, to the tough sanctions against Egypt agreed at Baghdad, Saudi Arabia still hopes the U.S. will be able to bring about a comprehensive peace settlement in the Middle East.

In the meantime, however, quite apart from physical constraints on its output capacity, it is clear that political deve*lopments in the region have, at* the very least, had a negative effect on its willingness and ability to produce, for the consumer's benefit, at a rate beyond that justified by its financial requirements.

The reactor accident in the U.S. has brought to a head the problems surrounding atomic energy. Besides safety, future economic growth is involved.

The world nuclear industry after Three Mile Island

By DAVID FISHLOCK, Science Editor

EXACTLY ONE month before the nuclear accident on Three Mile Island in the Susquehanna River in Pennsylvania a Dutch oil industry executive called in by Royal Dutch Shell to sort out its own nuclear industry problems was telling a conference on energy economics in London: "It is a business no one in his right mind should enter."

The nuclear industry, said Mr. John Minzinga, executive vice-president of General Atomic, the Shell-Gulf joint venture, "is in serious trouble. After a number of years during which it lost a great deal of money, it has entered an era of stagnation in demand which puts its past investment in jeopardy. It suffers from burdensome government regulation, the zealous pursuit by righteous opponents, a capricious market in raw materials."

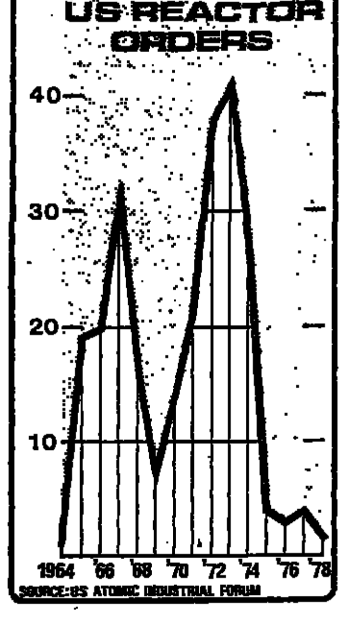
Yet nuclear technology had been an outstanding success, he said. In only 20 years from the first small electricity-producing reactors in Britain and the U.S., *world nuclear generating capacity* had expanded to about 10,000 megawatts. It was equivalent to 3m barrels of oil a day—*some 6 per cent of the non-*Communist world's oil consumption.

In the early days of nuclear energy, soon after the second World War, scientists talked of schemes for using the new source of energy in myriad ways — to drive ships, submarines, aircraft, airships, locomotives, lorries, and for mobile as well as central power stations. But economies of scale — above all in every aspect of the safe containment, operation and management of nuclear reactors—dictated that nuclear energy must be harnessed in big units. Today safety-related engineering accounts for about half the cost of a nuclear plant of about 1,000 MW.

By the late 1950s the nuclear industry's market was clearly defined. It was the electricity supply industry: the utilities, often State-owned, which generate electricity on a large scale. Usually these electrical utilities have a statutory brief to deliver electricity at the lowest cost and with unfailing reliability to their customers. Manufacturing industry — chemicals and steelmaking mainly — has taken great interest in owning its own nuclear stations, but so far has been discouraged by the cost and frustrations of the safety regulations.

The first electrical utility in the world to adopt nuclear energy as an alternative to fossil-fuel or hydro-electric power was the British Electricity Authority, forerunner of the Central Electricity Generating Board. It was not its own decision, however, but one dictated by the British Government in 1955, when fears that the coalminers would fail to deliver prompted the politicians to order nuclear stations. The state-owned electricity industry had no choice but to build from scratch the infrastructure needed to bring a novel and very demanding source of energy into its system safely and dependably.

In the U.S. the pressure was more obviously commercial, from the heavy electrical industry which had invested heavily in nuclear energy, originally to fulfil a big U.S. Government requirement for military submarine reactors. In 1964 General Electric of the U.S. secured the Oyster Creek station, a fixed-price contract for the first big American nuclear plant. This contract—and the next 10 it secured—lost money for its contractor. The manufacturer had to learn to build a novel and very complex machine for a supply industry which was itself learning fast, and under the eye of a Government watchful of public safety.



The Oyster Creek order—unquestionably a "loss leader," *as were many that followed*—was the turning point in the affairs of the embryonic nuclear industry. The following year electrical utilities placed orders for 19 units (reactors) with U.S. industry. The accompanying chart shows how orders rose—and fell again—over the decade that followed.

In the U.S. itself the industry expanded rapidly in response to an economy which itself was growing by about 5 per cent annually. The industry expected the boom in plant orders to continue unabated when OPEC quadrupled oil prices in 1973-74. By then it consisted of five reactor makers: Westinghouse, General Electric (U.S.), Combustion Engineering, Babcock & Wilcox, and General Atomic.

What the industry failed to foresee was the impact the new oil prices would have on economic growth. Nuclear power for most utilities was an increment in total generating capacity, not a replacement for oil. The three years of low growth which followed the OPEC increases meant almost no new orders for nuclear reactors and many deferrals and cancellations. For one company, General Atomic, it meant the loss of all but one reactor it had taken, and its withdrawal from the reactor business.

Thus low economic growth and not the activity of opponents of nuclear power was the cause of the cancellations. Many coal-fired plants also were cancelled. But the industry also failed to anticipate a fast-rising level of government involvement in its activities. This had the effect not only of adding substantially to the unit cost of reactors, through increasing demands for extra layers of safety, often requiring expensive "backfitting" to reactors already operating or under construction. It also had the effect of retaining in government hands potentially lucrative *new areas of business connected* with the supply of nuclear fuel to utilities; the "blades" business, so to speak, as opposed to the initial sale of the "razor."

Nevertheless the privately-owned nuclear industry in the U.S. is still very big business. A nuclear plant of around 1,300 MW costs almost $2bn. The U.S. utilities are spending about $11bn a year on nuclear plant. The U.S. has already installed or is installing about half of the 405,000 MW of nuclear electricity in operation, under construction or planned worldwide at the end of last year. It commissioned three of a total of 12 new nuclear plants brought on-load worldwide last year.

At least 22 countries have installed electricity-producing reactors so far. The U.S.—until the accident this month—was expecting to derive about 14 per cent of its generating capacity from nuclear reactors this year. *Britain has been generating* 13-14 per cent of its electricity from nuclear reactors for the past year or two, and expects to reach 20 per cent when three big nuclear stations still under construction are finished in the early 1980s.

Other nations lacking the energy resources of Britain and the U.S. have become more heavily dependent on nuclear power. Belgium is generating one-quarter of its electricity from reactors and expects to reach 50 per cent by 1984. France, where Electricité de France is spending $3bn a year on nuclear reactors to win independence from oil imports, expects to reach 50-55 per cent by 1985. Among Communist countries Bulgaria leads, according to the U.S. Atomic Industrial Forum, with expectations of reaching 20 per cent by 1980.

But the nuclear plans of all but the Communist countries have inevitably been influenced by the size of the U.S. industry and the decision of the U.S. Government. As Mr. Minzinga points out, had the world by today achieved the 190,000 MW of installed nuclear capacity its manufacturers were forecasting in 1972, instead of only 10,000 MW, imports of crude oil would be halved. The U.S. balance-of-payments deficit might be some $25bn less—"probably enough to arrest the decline of the dollar, to stave off increases of crude oil prices in the world market and to restore conditions of healthy economic growth all around."

When trouble struck the 880 MW Babcock and Wilcox reactor on Three Mile Island, President Carter was preparing his latest energy policy statement. The nuclear manufacturing and electricity supply industries of the U.S. were very confident that he was taking account of the picture as it was summarised by Mr. Minzinga. His own Energy Secretary, Dr. James Schlesinger had spelled out the same message.

WORLD'S LEADING NUCLEAR NATIONS

Country	MWe* Installed Y/E 1978	MWe On Order Y/E 1978	Major Reactor Vendors
U.S.	52,600	137,000	Babcock & Wilcox; Combustion Engineering; General Electric; Westinghouse
JAPAN	11,200	7,300	Hitachi; Mitsubishi Heavy Industries; Toshiba
W. GERMANY	9,000	17,800	Babcock Brown Boveri Reaktor; Kraftwerk Union
FRANCE	8,300	36,000	Framatome
BRITAIN	8,000	6,300	Nuclear Power Company
SWEDEN	5,400	3,900	ASEA-Atom; Westinghouse
CANADA	4,700	1,000	Atomic Energy of Canada
SPAIN	2,000	12,200	General Electric; Kraftwerk Union; Westinghouse
USSR	8,500	12,500	—

* MWe: Megawatts of Electricity

Nuclear option needed badly

The nuclear option — the energy option of "last resort," as President Carter once called it—was urgently needed by the U.S. It was hoped that the President would take steps to ease some of the difficulties the Government's regulatory agencies were placing in the way of more nuclear orders. Those difficulties are adding up to delays of two to six years for nuclear plants compared with coal-fired plants. The U.S. industry had begun to talk confidently of taking new orders totalling 5,000-8,000 MW this year—more than any year since 1974.

Instead, the President ordered an inquiry into the accident and said he would expedite efforts *to expand the number of nuclear* inspectors. But last week he added that "there is no way for us to abandon nuclear power in the foreseeable future," and, moreover backed up the remark by reiterating his Government's intention to introduce fresh legislation to accelerate the licensing of new nuclear plants.

At Bethesda near Washington, home of the Nuclear Regulatory Commission, are gathered the safety experts of several nations with a large commitment to the PWR, the world's most popular reactor. They wait patiently while the U.S. nuclear inspectors piece together events on Three Mile Island which led to the release of radio-active gases and liquids from a PWR there. Later this week they are to be joined by a team from the Central Electricity Generating Board in Britain.

Uppermost in all minds will be the question whether, under their own national system of nuclear inspection, such an accident sequence could ever have happened. Some say the technical faults lay entirely outside the "nuclear island" — the nuclear portion of the power station. They also want to know whether a new or more serious kind of accident arose, for example in the formation of hydrogen gas inside the pressure vessel, for which they were not prepared. Could hydrogen collect in potentially dangerous quantities and, if so, does it call for modifications to the reactor to allow it to be bled off safely?

Responses from several nations have so far been pretty robust. The French Government has said unequivocally that the accident will not impede its own plans to continue ordering 5,000 MW of PWR capacity a year. In West Germany, where about 10,000 MW of potential new business is bogged down in the courts and where Kraftwerk Union (part of the Siemens concern) has received no new reactor order for over three years, Mr. Klaus Barthelt, chairman and chief executive, said firmly last week that the accident could not have happened to his company's design of PWR. Five layers of "engineered safeguards" would have had to fail, one after the other, to precipitate such an accident in his reactor, he said.

Both KWU in Germany and Framatome (51 per cent owned by Creusot-Loire) in France, as the dominant nuclear reactor makers, have each installed manufacturing capacity in excess of national needs. Both are capable of turning out six to eight big PWRs a year. The balance they hope to fill—but so have not yet filled—with export orders.

Britain is in a different situation. It is building reactors of a type—the advanced gas-cooled reactor—which, says the CEGB, simply could not experience an accident of the kind which happened in the U.S. The electricity supply industry has just placed, design-phase contracts for two more power stations of this type.

But as Mr. Glyn England, chairman of the CEGB, pointed out last week, the British Government last year approved an investigation of the PWR, with the idea of choosing an overseas partner and building a demonstration reactor. Government approval was given on the grounds that the PWR is too attractive in too many respects for Britain to ignore in favour of its own vastly more labour-intensive reactor. The CEGB believes it may need the option of a reactor that can be built much more quickly if electricity growth is strong again in the 1990s.

Three Mile Island was clearly a serious accident, Mr. England acknowledged—"but it was no disaster." Before anyone started construction of a big PWR in Britain—a small one is already being built for the Navy in Scotland—the design would have to satisfy, the Government's own nuclear inspectors; that is, it would have to match current nuclear standards of safety. And Britain is already considered knowledgeable enough in the safety of PWRs to be engaged to inspect other nations' reactors, for instance, in Iran.

MEN AND MATTERS

Examining the gift-horse

As in Britain, it is hard to find anyone in the U.S. with a harsh word for business sponsorship of the arts, a gift-horse worth about $250m last year, and likely to be even more in 1979.

This flow of funds into channels as unlikely as Brahms and Michelangelo (the latter at present courtesy of Philip Morris Inc.) has resulted in a proliferation of courses at business schools all over the country. The Dean of New York University's Graduate School of Public Administration, for instance, is leading a three-week "institute" this summer on the "Economics and financing of the arts" (tuition fee $480).

The rival institute at Harvard Business School attracts five applicants for every place—not entirely surprising, when one considers that graduates can command salaries of $40,000 and upwards if they know how to manage the finances of arts organisation, and more importantly, how to attract government and corporate dollars.

One of the few dissenting voices echoes the complaint of Lina Lalandi, director of the English Bach Festival, that the money goes only to events that do not need help. Carl Andre, the New York sculptor whose pile of bricks so outraged London museum-goers, points to what has happened to U.S. television: "Business support of public broadcasting has castrated it. Dissenting political opinion has been purged completely in the past decade, ever since big business has gotten into public television in a big way."

But almost everyone else is happy and sees no cause for concern either now or in the future.

It is an accepted fact of life that businesses have reasons other than altruism for their patronage, among them a tax advantage. (Art sponsorship is considered a "charitable donation.") Philip Morris tells me it conducted a survey several years ago, and found that more Americans were visiting museums than baseball fields.

"There but for the grace of Maggie, go us."

On the buses

The just-released transcript of proceedings in a secret revolutionary court in Tehran affords a macabre glimps of the new justice. Getting straight to the point — Tehran's notorious bus service—the court asked former mayor Gholamreza Nikpay to give details of the relationship between the city's traffic problem and the bourgeois affiliation to foreign capital.

Scarcely had he embarked on an answer when he was cut short to explain the "extraordinary" waste of man hours caused by the density of traffic.

The ex-mayor blamed the Shah, and implied that the Pahlavis major share in the car industry gave him a vested interest in not curbing the number of cars. He himself, said Nikpay, had wanted to buy 3,000 extra buses and limit the use of cars.

What sealed his fate in the end was an inadequate answer to the apparently unrelated charge that he belonged to the International Rotary Club. The court president said the club had links with the CIA—proof of foreign intervention in the Iranian traffic problem. Nikpay was shot by a firing squad.

Plastic cards

It seems too much of a coincidence that soon after Thames Television exposed the exotic methods used in the shadier corners of market research, the Market Research Society is to present a new clean face with the announcement of a form of licensing.

So far 23 companies have been investigated by three—I am told—unimpeachable *grands seigneurs* of market research. Employees of the favoured firms have been issued with plastic identity cards imprinted with a virtuous-sounding extract from the MRS code of conduct.

None of this has anything to do with he attentions of Thames Television, insists Valerie Fairbridge, a director of NOP and *member of the MRS council* who is one of the prime movers: "The idea has been current in the society for a number of years . . . researchers started carrying cards in January. If it hadn't been for the snow and strikes we would have held the Press conference much earlier."

The police and Consumers' Association has been persuaded to join in launching the MRS scheme against "doorstep manipulators." But Valerie Farbridge admits the move will do little to calm the nerves of companies—rather than individuals—anxious about who actually wants information about them.

"If they knew beforehand this would bias the answers," she explains, though companies are sometimes told after the interview. "Of course they can always refuse to take part."

Back pains

Everyone knows that Common Market negotiations are often conducted on a you-scratch-my-back basis, but it's not often one can put one's finger on the evidence.

The Italian Government has—at British request—just lifted its reserve on a proposal that imports of Cyprus new potatoes should beallowed into the UK at reduced duty rates. Cyprus, like New Zealand, is a traditional supplier to the British market and has built up its potato business to match UK needs. So that seemed reasonable enough.

The strings attached to this co-operation were communicated to the Foreign Office in a phone call from Renato "Rocky" Ruggiero, one-time porte-parole at the EEC Commission and now under-secretary in charge of Community affairs at the Italian Ministry of Foreign Affairs.

He said Giovanni Marcora, Italian Agriculture Minister wanted John Silkin to know that the concession had been granted "with the British interest in mind

"Naturally," Marcora hoped, Britain would in turn support Italian efforts to obtain a good internal "Community solution for their potatoes."

The price of Silkin's little victory this year could end up extremely damaging to Cyprus, and costly for consumers. The Italians want heavy tariff protection against non-EEC imports to keep their own, inefficient, early potato farmers in business.

Similar protection is already afforded to olive oil growers—who have sold the Community a lake of oil so expensive no-one can afford to use it.

Win some, lose some

A curious letter from Moscow informs me that the Soviet import-export organisation Techsnabexport has been reorganised and will now operate "on a profit-and-loss basis." It will be interesting to see what further reorganisation takes place if a loss is actually made.

Observer

ECONOMIC VIEWPOINT

What the Dutch do about their disease

THE EXPRESSION "Dutch disease" has come into general usage as a label for the kind of problems which North Sea oil is likely to bring to the UK. It has been used as a shorthand to describe the danger that the development of a valuable non-renewable natural resource will crowd out traditional exports, thus piling up trouble for the time when the resource runs out. The label arose because the development of natural gas in the Netherlands is supposed to have highlighted the problem, well before North Sea oil began to come on stream for the UK.

The publication by the Organisation for Economic Co-operation and Development (OECD) of its annual Review of the Netherlands thus provides a welcome opportunity to look at what has really been happening in that country in contrast with the myth.

Up to the early 1960s, the Netherlands was celebrated for something very different to *natural gas: a highly centralised system of wage and price controls.* Inflation during that period was *in fact no lower in* the Netherlands than in many other countries without pay policies. Average inflation rates in different countries in those days were kept within a very narrow band by the Bretton Woods system of semi-fixed exchange rates linked to the dollar, at a time when in the U.S. inflation itself was very low.

The Dutch incomes policy did for a time, however, depress wages, raise profits and stimulate exports. This led, as it was bound to do, to a wage explosion—in fact, a 15 per cent earnings rise in 1963-64—and the collapse of the policy held up to the rest of us as a model. In the later 1960s and the early 1970s, wages rose rapidly, the increase averaging 11½ per cent per annum in 1966-71. The result was to stimulate labour-saving investment; and productivity in the non-government sector rose by over 5 per cent per annum. Thus there was a combination of rapid growth and some inflation. But inflation in competitor countries, together with the low initial levels of incomes, enabled the Dutch to get by without much trouble with the balance of payments or the exchange rate and still maintain low unemployment rates.

It was hardly a stable situation. But then North Sea gas came as a partial rescue. Gas production reached a peak of over 97bn cubic metres per annum in 1976-77, since when it has fallen back 90bn cubic metres.

Exporter

In 1977 about half of all the EEC's natural gas output originated in the Dutch Groningen field. The Netherlands itself became a net exporter not only of gas but of energy as a whole. The gas sector in 1977 accounted for 6¼ per cent of value added in the enterprise sector, but provided 0.1 per cent total employment. (This high value added per man employed was, on true reckoning, a benefit not a cost.) Taking into account both export earnings and replacement of energy imports, the Dutch Central Plan Bureau estimated that the gross impact of gas on the current balance of payments was equivalent to 5½ per cent of GDP.

The Dutch Government has now switched to a deliberate policy of gradual year by year reduction of gas production to prevent a "brutal adjustment" later in the century. The intention is to reduce production by 5 per cent per annum over the next two decades. By 1985 the Netherlands is expected to be a net importer of energy again to the tune of 14m tons of oil equivalents—almost the same as the 1977 surplus. As for other countries there are far more alarming forecasts of the "energy gap" by the end of the century. But leaving aside such alarmist projections, the cuts in gas production have already started. The adjustment problems which UK energy experts predicts some 10 or 20 *years ahead* have already begun in the Netherlands.

At the peak gas revenues provided 10 per cent of all central government receipts—a five-fold increase compared with 1973. Unemployment, however, rose from less than 2 per cent in the late 1960s to over 5 per cent in 1976-77. But this was not very different from the general run of OECD experience and difficult to blame on to natural gas per se. Moreover there were many other forces at work arising from economic and social policy.

As the tables show, all the gas revenues together with some tax increases went to finance an increase in public expenditure, including social security. The comparative international table published by the OECD must be treated with caution because it is theoretically possible in the definition used for public expenditure to exceed 100 per cent of the national income. *On this particular definition* Dutch public expenditure rose from 45 per cent of net national *income* in 1967-68 to over 50 per cent in 1972 and over 60 per cent in 1977. This last percentage is well ahead of the UK, France, and Germany and exceeded only by Sweden. At the same time income tax became steeply progressive and attempts were made to shift the pre-tax wage structure in favour of the lower paid, notably by increases in the legal minimum wage.

WAGES DEVELOPMENTS IN THE NETHERLANDS

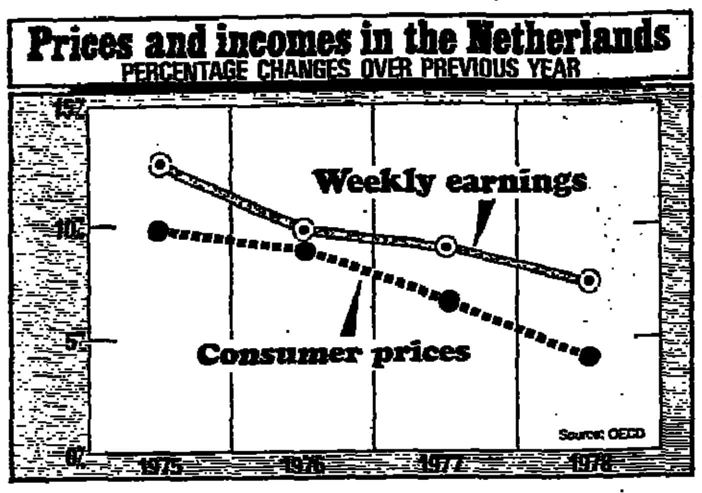
(Percentage changes, annual averages)

	1961-65	1965-70	1971-75	1975-78
Wage bill increase	9.6	11.1	14.1	9.9
of which:				
Price compensation*	4.1	5.1	8.6	7.6
Real income	5.5	6.0	5.5	2.3
of which:				
Tax burden†	0.6	1.4	3.0	0.3
Disposable income	4.9	4.6	2.5	2.0

* Married employee with two children.

† That part of the real income going to meet increased taxes, social security contributions and old age pensions.

Source: OECD



PUBLIC EXPENDITURE AS A PERCENTAGE OF NET NATIONAL INCOME

	1967-68	1972	1977*
Netherlands	45.0	50.7	60.5
Germany	40.4	41.7	49.4
France	40.6	40.9	48.4
UK	40.2	41.3	47.7
Sweden	42.2	50.1	66.6
U.S.	33.5	35.0	37.0

Source: OECD

* Including social security

The resulting wage pressures were not allowed to work through fully to prices because of exchange rate policy. The Netherlands authorities never really went in for a free float; and with the demise of Bretton Woods, they became in 1972 a founder member of the original snake. With the departure that year of Britain, and afterwards of France, the snake became increasingly dominated by Germany, which is by far the most important of the Netherlands' trading partners.

Compensation

An important feature of Dutch wage bargaining was the *introduction of "automatic retroactive"* compensation for inflation. But as the tables show this automatic wage indexation did not lead to a runaway rise in wages; nor has there been an abandonment of the system. Basically productivity growth has, at least in the past, nearly always been fast enough to allow full cost of living compensation as a minimum element in all wage settlements.

According to the OECD story, profits were squeezed between rising wages and a price level held down by the link with the German mark. Fixed investment and manufacturing employment fell as did capacity utilisation in enterprises producing internationally traded goods. The current balance of payments was protected for a time by natural gas. But this passed its peak in 1976; and in 1978 a current payments deficit of $1½bn emerged. The loss of export shares has been most marked in chemicals, steel, optical instruments, textiles and clothing, sales of which are highly responsive to price. The Netherlands has also lost out against the UK and Italy whose currencies have until recently *fallen against the guilder.*

The snag about this sad story is that business investment in part recovered in 1977 and 1978, when it exceeded the pre-recession peaks of 1973 by nearly 9 per cent—an experience quite unusual among comparable OECD countries. But the OECD economists have succeeded in finding a way of *spoiling this success story.* For the investment, they discover, was biased towards domestic *sectors such as construction,* towards food, beverages, chemicals, fertilisers and agricultural machinery. These benefited from the "green currency" systems, which prevented agriculture in the strong currency countries from feeling the competitive blast in the way that the ordinary manufacturing sector did. Another high investment sector, ship-building, benefited from a government supported "fleet renovation plan."

A closer inspection suggests that there are many signs that the Dutch disease is at last in *the process of correcting itself.* OECD documents usually concentrate on the current account of the balance of payments. *But* an inspection of the actual tables in the Survey of the Netherlands shows that in the peak natural gas year of 1976, there was an outflow of private long-term investment of over 2 per cent of the national product. This allowed a current account surplus to be run; and thus the squeeze on non-gas exports was limited. The swing into current account deficit in 1978 was due not only to the fall-off in natural *gas production* but even more to an excessive fiscal stimulus and consequent overheating—*although this is not quite* OECD's way of putting it. But at least the Government did not *finance the stimulus by* monetary expansion. (Money supply growth in 1977-78 was about 4 to 6 per cent per annum.) In the course of 1978, as OECD admits, "nominal wages decelerated to close to the German rate, and competitiveness ceased to deteriorate."

Past inflation

Meanwhile, the Government has come out with a "Blueprint *1981," designed to improve* Dutch competitive performance at an unchanged rate with the mark, *and in spite of a further* falling off in the balance of payments contribution of natural gas. The key is that there should be no increase in "contractual pay rates," except for compensation for past inflation. This, and a 1 to 1½ per cent allowance for wage drift, is expected to produce pay increases of 4 per cent per annum and labour cost increases of 1 per cent, after deducting productivity growth. At the same time, there will be a modest fall in the "labour income share." This is expected to promote a *1 per cent annual increase in* total employment.

Direct government intervention in wage-fixing is ruled out as a weapon for achieving these goals; and the government's main contribution will be to "stabilise the overall tax burden," and also to stabilise the public sector deficit (which is not exactly the same as the British PSBR) at 4 or 5 per cent of the national product. Public spending will still rise in real terms, although less than previously planned; and there will be more public funds for "job-creation" investment and retraining.

There is no neat or easy way *of translating this "strategy"* into terms of the British political debate; and the UK has had *too many numerically spelt out* "strategies" in the past under governments of different political complexions for there to be any credibility left for such exercises. The main moral from the Dutch experience is the more general one that there are self-correcting forces in both the commercial and the political market place; and that both North Sea oil and a strong exchange rate are benefits to be enjoyed, not curses to be bemoaned by economists looking for a dark lining to every silver cloud.

Samuel Britton

Letters to the Editor

Striking back

From Mr. J. Baker White

Sir,—One of the effects of "industrial action"—that is, strikes—by civil servants has been to hold up repayments of VAT. This has created a serious situation for small traders, businesses and farmers, who have not got large cash resources to cushion them against delay. It may be necessary for them to obtain temporary accommodation from the bank at, of course, the prevailing high interest rates.

On the other hand, like all other employers, they are expected to make PAYE payments promptly and the reminder notice arrives very quickly if they are a week late. So far as direct tax is concerned, interest is charged by the Revenue from the date on which payment is due.

It seems sensible that where a VAT repayment is overdue as the result of strike action the sum due should be deducted by the employer from the PAYE payment. Moreover, as the Revenue charges interest on overdue tax payments the firm or individual is surely entitled to charge interest on the overdue VAT payment, at the rate of 9 per cent, and deduct it from the PAYE payment.

Should anyone consider that this is being beastly to the Revenue, and Customs and Excise, who will eventually have to sort out the cross-payments, may I quote a spokesman for the Society of Civil and Public Servants: "The time has come to bring it home to the public what is happening to our pay claim."

John Baker White.
Street End Farms,
Street End Place,
Nr. Canterbury, Kent.

Chips from Florida

From the Chairman, The Ulster Weaving Company

Sir,—When I visited my local shops over the weekend, I noticed in the greengrocers bags of carrots that came from Florida and at the freezer centre I noticed frozen chip potatoes packed in California.

I know that there are arguments for and against import controls but I must say that it seems completely crazy to me that items like potatoes have to be transported some 7,000 miles when there should be adequate supplies locally. Little wonder the United Kingdom economy is in a mess.

K. T. Sturgess,
The Ulster Weaving Co.,
Linfield Road,
Belfast, N. Ireland.

Conservatives and the EEC

From the All-Party Anti-Common Market Candidate for Saffron Walden

Sir,—It is interesting to read that the Conservative Party's policy for agricultural reform would reduce the burden the Community budget places upon the British taxpayer (but is it the taxpayer? It is the consumer who has to pay the levies) and that national payments into the budget should be more closely related to ability to pay—most admirable sentiments!

Two questions occur to me. Does indicating that the Conservatives will be a softer touch than the ogre John Silkin really advance their prospects of successful negotiations?

If, in the interests of their own farmers, the French and German members of the Council veto the British proposals, what exactly would the Conservative Party do about it?

Devaluing the Green Pound may help British farmers to make even more money in depreciating sterling but will hardly help to bring food prices down!

Oliver Smedley.
Garden Cottage,
Duck Street,
Wendens Ambo,
Saffron Walden, Essex.

Direct labour organisations

From Mr. C. Chetwood

Sir,—*The extension of the* direct labour organisations of local authorities has appeared in the Labour manifesto despite reasoned advice from the National Federation of Building Trade Employers and the Federation of Civil Engineering Contractors.

All political parties have accepted the need for DLOs to be made accountable, and the many instances of losses and mismanagement indicate the necessity for this.

The reason put forward for the extension of their powers, is to "make them comparable" with private contractors. One has to ask comparable with whom, the builder who employs six men or the contractor who employs ten thousand? For the work undertaken for local authorities is carried out by the complete range of private contractors.

The basic fact that has been ignored is that to extend a DLO which you do not know if it is profitable or not is the height of folly. Equally, to think that by enlarging an inefficient DLO you increase its likelihood of being efficient shows a lack of understanding of basic management practice.

I am sure that the ratepayers will not miss the fact that their rates will be put at risk by this proposal in the Labour Party manifesto.

Clifford J. Chetwood.
Tree Close,
Stoke Road,
Cobham, Surrey.

Keeping Corby alive

From Mrs. E. Baxter.

Sir,—Your report on Corby (April 4) and subsequent letter from Mr. Jobling (April 9) highlight the problems of Corby, but do not mention the anomalous situation existing in Peterborough, a few miles to the west. In spite of protests of local residents, who feel that further expansion is not needed, the development corporation is busily taking over valuable agricultural land and desecrating beauty spots and sites of archaeological value for factories and new housing. This housing will largely be occupied, to judge by previous experience by immigrants and families moved from London, albeit unnecessarily.

It is a mystery why this is needed when Corby has the sites, buildings, housing, and local amenities; and does indicate the need for planning on a national scale as Mr. Jobling suggests.

(Mrs.) E. M. Baxter,
9 Westwood Park Road,
Peterborough.

Minerals in reserve

From Mr. J. Lomax

Sir,—"Manifestos 'silent' on minerals" (April 14). Why indeed? The UK is a mineralised zone. There are marginal deposits everywhere. They should be worked by the general rule of economic common-sense that local labour should never be idle if there are local resources to work on. Overseas resources of supply are fading, for all the reasons you give. Hence the UK should bring all our deposits to a production level to ensure a reserve. They would give employment where it is most needed, and most useful: they would give rise to secondary enterprises. Mineral output always does that.

All it needs to bring about a revival of nonferrous mining in the UK is a tax-code to enable such enterprises to get started. The enterprise must be enabled to recover risk money before the taxman bites. There must be depletion allowances. It is all well known and accepted by other Governments. Why does ours persist at what amounts to a fiscal ban? The Government of Eire got the message about twenty years ago. It set up a code to welcome and reward mining enterprises, with brilliant results. It is not too much to say that the revival of mining there led the present industrial boom throughout the Republic.

You could do no better service than to trumpet this message aloud during the present Election campaign. One new idea would shine like a precious jewel in the present dull stream of platitudes.

John Lomax.
803, Nelson House,
Dolphin Square, SW1.

Payments from Ireland

From Mr. C. Grunwerg

Sir,—We recently presented to our bank a cheque received from a customer in Eire which was made out for £987.56, and were surprised to be told we should receive only the sterling equivalent of this sum in Irish Punts.

The Bank of England has instructed all banks to treat all *cheques received from Eire as* payable in Punts, irrespective of whether they are made out in sterling or not.

By what authority can the Bank change the currency in which a cheque is payable? Surely the criterion should be that which is stated on the document, in our case clearly sterling, which has the "£" prefix.

C. Grunwerg.
Laurel Works, Nursery Street,
Sheffield.

Employment of graduates

From Professor R. Tredgold.

Sir,—*The information contained in the article entitled* "How Universities met employment change" (April 5) is at first sight rather surprising. Several of the most prestigious universities in the country are well down the employment league table. Statistics available in the Commonwealth Universities Year Book, however, provide a simple explanation. The first four universities in your league table have over 60 per cent of their students studying either pure or applied *science. The last four universities* in the table for which statistics are available have 30 per cent or less of their students studying pure or applied science. Those universities about half-way down are fairly evenly balanced between arts and sciences.

It is thus obvious that the determining factor as to whether a new graduate will find it easy to obtain employment or not is the subject in which he has graduated rather than the university from which he has obtained his degree. *Engineers and scientists* do better than the graduates in the arts and social sciences. Speaking for my own department I find that our physics graduates obtain employment without any difficulty or delay.

(Professor) R. H. Tredgold,
Department of Physics,
University of Lancaster,
Lancaster.

Assess your own taxes

From Mr. M. Gray

Sir,—The Inland Revenue has already seen Canadian tax forms (Mr. Ross, April 10). I sent copies of mine when I returned to the UK after a brief spell in Canada. I sent my forms as an example of good communication. Since then there has been a small improvement in the general standard of UK Government forms but we have not yet reached the standard set in Canada 10 years ago.

Sufficient data have been amassed (by researchers working for and at Government expense) to guide would-be form designers through the throes of authorship. More is known about training entire populations than perhaps Mr. Ross suspects. The Post Office has not done a bad job of getting most of us able to use the STD system.

These technical resources—provided largely by occupational psychologists—could be *harnessed to reform the tax* system; all that is needed is the political will to do it.

M. J. Gray,
5, Haven Staithes,
Hedon, Hull.

VAT on a tankful

From Mr. O. Goulden

Sir,—VAT regulations demand that receipts for purchases over £10 should show the tax separately.

Recent rises in prices mean that a fill of petrol now costs over £10. Getting a readable receipt from filling stations is difficult enough; a request for a proper receipt is met by as blank a stare as a request for them to recite the names and dates of the Kings of Israel and Judah. When the VAT people come off strike, and we have a Chancellor of the Exchequer is somebody going to get the regulation amended to £20?

O. A. Goulden,
Quarry House,
Stoke Hill,
Stoke, Andover,
Hants

Today's events

GENERAL

UK: President of State Bank of Czechoslovakia in London at invitation of Governor of the Bank of England (until April 21).

Dunlop Speke plant closes.

Postal and proxy votes close for General Election.

Railway workers pay talks resume.

NGA national executive council meets to discuss The Times.

National Union of Teachers conference, The Spa, Scarborough.

National Union of Students conference, Winter Gardens, Blackpool.

Badminton Horse Trials start

Sir Kenneth Cork, Lord Mayor of London, at Associated Owners *of City Properties lunch,* Guildhall.

Sir Charles Forte speaks at *SKAL Club (travel trade) lunch,* Cafe Royal, London.

Overseas: Financial Times *two-day conference opens on* South East Asian banking and finance, Shangri-La Hotel, Singapore.

Egyptian national referendum *to approve* treaty with Israel.

Mr. John Smith, Trade Secretary, arrives in Cairo.

President Giscard d'Estaing of France addresses nation on TV.

OFFICIAL STATISTICS

Department of Employment publishes April provisional *figures for unemployment* and unfilled vacancies. Bank of England publishes UK banks' assets and liabilities and the money stock, London dollar and sterling certificates of deposit, for mid-March.

COMPANY RESULTS

Final dividends: Bentalls. Blue Circle Industries. Charterhouse Group. Clive Discount Holdings. Dunlop Holdings. Myson Group. Northern Engineering Industries. Ready Mixed Concrete. Rio Tinto-Zinc Corporation. Scottish Mortgage and Trust Company.

COMPANY MEETINGS

See Company News on page 28.

Burmah recovery trend continues—no payout yet

RECOVERY CONTINUED at Burmah Oil Company in 1978 with £9.4m second-half growth lifting taxable profit from £3.61m to £17.13m. This was, however, still far short of the peak £57m reached in 1973.

Because of current uncertainties, especially related to the Iranian crisis, the directors do not consider it appropriate to return to dividends yet. The last payment was the 5.36p net interim for 1974.

First-time contributions from the Thistle oilfield and the liquefield natural gas operations, together with encouraging results from the overseas Castrol and UK automotive companies, helped towards the improvement. At the operating level the surplus, excluding shipping activities, was ahead from £43.39m to £51.76m.

Though the tanker market remained depressed, the tanker fleet losses were also much reduced by prior charter cancellations, and the operating deficit on shipping was down £13.84m at £22.92m.

A lower tax charge of £8.5m, against £10.23m, enabled a turnround after tax from a £6.62m loss to £8.63m profit. Earnings per £1 share are stated at 4.71p (losses 5.5p).

Sales, excluding duties, rose from £856.7m to £984.8m. Profit included investment income of £4.95m (£5.2m) and was after a net interest charge, more than doubled from £8.23m to £16.66m and depreciation, depletion and amortisation of £19.98m (£13.03m).

The increase in interest payable, from £20.84m to £28.22m, was largely accounted for by the cost of the loans for the purchase of the group's two ultra-large crude carriers and post-production interest in respect of Thistle field financing.

Extraordinary debits of £3.42m (£25.61m) comprised cancellation fees and provisions relating to shipping operations of £14.6m (£24.28m) offset this time by a £3.18m gain (£1.3m loss) on sale of investments and other assets and £7.99m in additional amounts received under agreements for sale of North Sea interests in 1976.

Burmah's Shareholders Action Group took the opportunity yesterday of the encouraging results to canvass the top 13,000 shareholders for more funds for its own activities.

	1978 £000	1977 £000
Sales net of duties	984,845	856,715
Op. profit—exc. ship.†	51,759	43,389
Op. loss—shipping	22,916	36,756
Total operating profit†	28,843	6,633
Invests. income	4,950	5,203
Interest	16,663	8,227
Pre-tax profit	17,130	3,609
Tax	8,504	10,232
Net profit	8,626	*6,623
To minorities‡	871	325
Extraord. debits	3,420	25,614
Attributable	4,335	*32,563
Preference divs.	971	970
To reserves	3,364	*33,533

† After depreciation, depletion and amortisation £19.88m (£13.03m). * Loss. ‡ Includes pre-acquisition profit.

It wants to set up a watching brief during the main Court hearing later this year when Burmah takes the Bank of England to court over the BP shares. It also wants to appoint independent advisers to counsel non-institutional shareholders if there is a settlement. And it wants a reserve to cover administrative costs.

The fund raising appeal is billed as the "final appeal for funds."

See Lex

HIGHLIGHTS

Burmah Oil has sailed into profits although, for the fifth year in a row it is passing the dividend. Second-half results improved significantly but the Board now warns that uncertainties over the effects of the Iranian oil crisis on the tanker fleet and on the Elsemere Port refinery make it inappropriate to declare a payment. Standard Chartered Bank has declared results for a shortened nine-month period and an interesting feature is a £45m charge for general provisions. Delta Metal reports an improvement in UK trading which results in an overall profits rise above most expectations. Slough Estates causes some surprise with a £25m convertible loan stock rights issue in the middle of an election campaign. Finally Lex looks at the gold bullion market where the U.S. Treasury has unexpectedly halved its latest offer.

C. D. Bramall 25% up and confident

A 25 PER CENT advance in taxable profit from £1.12m to £1.41m was achieved by C. D. Bramall, a Ford main dealer, in 1978—its first full year results since going public in May last year. Sales were up £2.52m at £20.18m.

"Had the group been able to satisfy in full the very high demand for vehicles the results for 1978 would undoubtedly have been well in excess of those now reported," says Mr. Tony Bramall, the chairman.

In its prospectus the company had showed an improvement in profit from £287,000 to £366,000 at three months and expressed confidence for the year.

Tax for the 12 months took only £31,000 (£41,000) leaving earnings per 25p share up 5.7p at 26.9p, before deducting £89,000 flotation costs. As forecast the net total dividend is 4.5694p with a final of 2.7894p.

There has been a good start to the current year with considerably higher orders for Ford products in the first quarter.

Though the group has, during this period, had to contend with the effects of the lorry drivers' strike and the aftermath of the Ford strike, the chairman says he is confident of profit growth in 1979. Also further expansion of the company's dealership coverage and continued modernisation and expansion of existing facilities is planned.

The progress in 1978 was made despite the effects of the Ford strike in the last quarter and an embargo on imported vehicles and distribution of spares.

Group dealerships held record levels of orders for new Ford cars, vans and trucks during the year. Contract hire, leasing and finance activities all produced record results but the agricultural division, was affected by the depressed market.

Profits rise for Pearson and Pearson Longman

PROFITS BEFORE tax and minorities of S. Pearson and Son rose from £44.94m to £51.43m in 1978. Its quoted subsidiary, Pearson Longman, reports an increase from £21.4m to £25.5m before tax, for the same period, despite a sharp downturn at the Financial Times in the second half of the year.

One of the few dull spots in S. Pearson's figures is the contribution from Whitehall Trust, which includes the Lazard Brothers banking business. Profits here are 7 per cent lower at £8.1m before head office expenses. However Mr. M. J. Hare, Pearson's chief executive, said yesterday that the underlying trend at the bank had been good. Its figures in 1977 had included a release of provisions against dealing investments, which had not recurred during the latest period.

Elsewhere the Pearson figures include an initial contribution of £1.9m from Madame Tussaud's, the family entertainment business acquired in February of last year. Royal Doulton's profits have risen by 16 per cent to £13.85m, after what Mr. Hare described as a very good year on the glass side, where profits rose by just over one half. The tableware side, too, was up—by around an eighth — but Doulton's engineering side reported a sharp decline in profits. This is now the smallest of its main activities.

Profits from the Midhurst Corporation, which takes in Pearson's North American interests, emerge nearly a fifth higher at £2.17m. Mr. Hare said that the value of its investment in Ashland Oil had risen substantially during the year. In addition, Pearson had recently increased its investment in Camco Inc. (which specialises in oil industry equipment and services) from 22 per cent to over 60 per cent.

Pearson is recommending a final dividend for the year of just under 5p per share taking the year's total up to nearly 8p. At the time of last year's unsuccessful bid for the 36.4 per cent of Pearson Longman which it does not already own, Pearson forecast a dividend of 8.25p per share for the year.

Mr. Hare explained that the forecast dividend had been made with Treasury approval specifically in the context of the bid. In the present circumstances, a dividend of just under 8p per share was the maximum allowed under the rules. It represented a rise of 17.4 per cent, an increase which had been made possible by the concession on dividend cover.

Pre-tax profit attributable to the parent company analysed by activity shows in £000's: Pearson Longman (publishing) £15,762 (£13,016); Royal Doulton (ceramics, glass and engineering) £13,845 (£11,928); Whitehall Trust (Lazard Brothers and investment trusts) £8,099 (£8,738); Midhurst Corporation (North American interests) £2,170 (£1,842); Madame Tussauds' (family entertainment) £1,895 (nil); and other interests £1,885 (£906); less head office interest and expenses £4,484 (£3,151).

S. PEARSON AND SON

	1978 £000	1977 £000
Turnover	401,309	328,491
Pearson Longman	174,797	145,637
Royal Doulton	209,705	171,695
Madame Tussaud's	5,571	—
Other	11,236	11,159
Group profit	51,426	44,938
To minorities	12,254	11,659
Pre-tax profit	39,172	33,279
Tax	14,584	12,330
Net profit	24,588	20,949
Extraordinary credits	2,894	2,640
Available	27,482	23,589
Preference dividend	18	18
Ordinary dividend	5,472	4,659
Retained	21,992	18,912

† Excluding banking and investment income.

Over at Pearson Longman, attributable profits are nearly 21 per cent higher at £12.42m after tax. At the interim stage, the rise was just under 23 per cent, but the directors warned in the bid document that this rate of increase should not be regarded as indicative of the outcome expected for the full year.

One reason for this caution was that the profits of the Financial Times, which takes in business publishing and trade fairs as well as the newspaper, were expected to be materially lower for the year. In the event, the Financial Times has swung from a profit of £2.17m in the second half of 1977 to a loss of £257,000 in the second half of 1978.

Mr. R. P. West, Pearson Longman's finance director, said yesterday that a large part of the downturn was explained by the Financial Times' development programme, including publication of the newspaper in Frankfurt, the new U.S. business magazine, and the Fintel project. Costs of the Frankfurt scheme were running according to plan and were expected to be greater in 1979.

In addition, industrial fairs had suffered from a relatively low level of activity, and the business publishing side had been disappointing. The newspaper itself, excluding the Frankfurt project, had made a bigger profit in 1978 than a year earlier.

The rise in Pearson Longman's overall profits is explained by the buoyant trend in provincial newspaper publishing, which shows up in a strong performance at Westminster Press, and a useful increase from the book publishing side, including Penguin.

Pearson Longman is recommending a final dividend of just over 3.68p per share, taking the year's total up by a tenth to a little more than 9.97p. Since its base date for dividend cover is 1973, that is the maximum permitted under the present legislation.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
C. D. Bramall	2.79	—	—	4.57	—
Delta Metal	3.78	—	3.2	5.6	5.02
I. J. Dewhurst	1.07†	June 22	0.87*	1.57	1.32*
Francis Inds.	2.51	July 2	1.91	3.76	3.37
Gopeng Consd. ...int.	5	July 2	3.5	—	18
Harris Queensway	4.5§	May 25	—	4.5	—
Norman Hay	2.2	July 4	2	3.7	3
Helene of London	0.4	—	0.67	0.74	0.67
Dris Hydraulic ...3rd int.	3	June 11	4.5	8	12
Martonair ...int.	1.75	May 17	1.59§	—	5.48*
Pearson Longman	3.68	June 1	4.24	6.68	5.99
S. Pearson	4.99	June 1	4.81	7.99	6.81
Senior Eng.	0.65	June 1	0.58	1.3	1.18
Standard Chartered	7.71	June 15	11.6	16.21¶	19.53‖
Sun Life ...int.	1.91	July 2	1.71	—	3.48
Wadkin	4.22	May 31	3.99	6.47	5.86
Alva Inv.	4.19	—	3.3	7.37	6.11
W. Baird	5.94	July 3	5.32	10.37	9.36

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Treasury permission applied for. § Made public November, 1978. ¶ For nine months. ‖ For 12 months.

Senior Engineering falls to £5.1m: recovering from strikes

A SECOND HALF fall in taxable profits, from £2.68m to £2.36m, left Senior Engineering Group lower in 1978 at £5.09m compared with £5.3m previously.

Turnover of this engineering products trader increased from £51.63m to £56.73m.

The directors say that, in the second half, the light engineering and steel tube divisions were affected by deteriorating industrial relations.

Of the start of the current year, the directors say the group companies felt, in varying degrees, the impact of strikes at customers' plants, the road haulage dispute, and the severe weather. However, these problems have now largely eased, and in February and March all divisions have been returning to a more normal level of operation.

All divisions, except for light engineering, entered 1979 with increased orders on hand, the directors say. Since then, there has been a good inflow of orders, particularly for light engineering.

The diversity of the group's engineering interests and the state of the well-equipped companies, will enable the group to take advantage of any improvement in trading conditions and assist the group in satisfying its ambition to improve results in 1979.

In the period under review, tax took £2.7m, against £2.79m. The net total dividend is lifted from 1.1759p to 1.3032p per 10p share, with a 0.6516p final. Retained profit came through at £1.41m compared with £1.64m.

Francis Inds. falls to £1.5m

WITH second half taxable profits falling from £974,870 to £806,456, Francis Industries ended 1978 lower at £1.5m compared with £1.61m previously.

But Mr. D. M. Saunders, chairman, says the results are no mean achievement in view of the serious repercussions which the group suffered as a consequence of the adverse industrial relations climate affecting a number of important customers, including the loss of a portion of the Chrysler business for Iran.

At halfway, when the surplus was up from £634,000 to £695,000, the directors of this engineering concern said further profit growth was being delayed due mainly to the Ford strike.

Turnover for the year increased from £25.2m to £27.75m. After lower tax of £190,301 (£398,754), earnings per 25p share are shown to have risen from 17.38p to 17.93p.

The net final dividend is stepped up from 1.91p to 2.51p, making a maximum permitted 3.76p (3.37p). Net asset value is up from 97.37p to 115.11p.

The surplus arising on revaluation of industrial properties in 1978 has been added to general reserves.

Dewhirst moves up to £1.3m

A SECOND HALF lift from £545,605 to £700,671 has enabled I. J. Dewhirst Holdings to turn in profits of £1,304,671 for the 53 weeks ended January 19, 1979, against £1,050,605 in the previous year.

Sales have advanced by £3.49m to £15.28m, with the volume again showing a substantial increase following the policy of steadily expanding production capacity and investment in new equipment.

Investment income was lower because of lower interest rates and a temporary run down in cash invested in the early part of the year. However, cash invested in the early part of the year. However, cash deposits at deposits at the year end were again over £1m.

The directors have applied for Treasury permission to pay a final dividend of 1.07p. This would make a net total of 1.57p, compared with the equivalent of 1.32p. A further one-for-three scrip issue is also proposed. Earnings per 10p share are shown at 11.5p (9.5p).

	1978-79 53 wks. £	1977-78 52 wks. £
Turnover	15,276,630	11,788,046
Profit	1,256,823	977,427
Interest	47,848	73,178
Profit before tax	1,304,671	1,050,605
Taxation	146,800	94,600
Net profit	1,157,871	956,005
Ordinary dividend	158,065	132,895
Retained	999,806	823,110

No provision made in respect of preference dividend as the first payment was on January 31, 1979. A full year charge would be £49,081.

In the current year sales are well ahead, although there is continuing pressure on margins. The company is engaged in the manufacture and wholesale of clothing.

Group properties were revalued at January 19 and threw up a surplus of £875,697, which has been put to reserves.

Meeting, York, June 15.

£0.4m profit lift for Martonair

TAXABLE PROFITS of Martonair International, pneumatic control equipment manufacturer, rose from £2.09m to £2.51m in the six months to January 31, 1979, on turnover well ahead at £17.15m, against £14.5m.

The directors say turnover and profits, both in the UK and overseas, have continued to develop satisfactorily during the period under review. And they are confident record full-year results will again be achieved—last time the surplus was £4.89m.

Tax for the half-year took £1.25m compared with £1.13m. The net interim dividend is effectively raised from 1.5909p to 1.75p—last year's total payment was equivalent to 5.4818p.

	Six months 1979 £000	1978 £000
Turnover	17,153	14,503
Profit before tax	2,506	2,085
Tax	1,245	1,131
Net profit	1,261	954
Minorities	11	*3
Available	1,250	957
Pref. dividend	4	4
Ord. dividend	228	199
Retained	1,018	754

* Credit.

Plantation Hldgs. makes good start

The Malaysian estates of Plantation Holdings had the benefit of higher prices in the first quarter of 1979, Mr. S. W. Livesey, chairman, told shareholders at the annual meeting. And the outturn would be better than in the same period last year.

The UK-based operations had faced difficult conduitions. However, the results exceeded those for the first quarter of 1978—the order intake had been particularly buoyant and outstanding orders had risen substantially.

The actions taken to ensure recovery in the light engineering division were continuing to be reflected in improved results.

The chairman still expected the documents concerning the company's financial reconstruction to be in shareholders' hands during early summer.

In the past full year, profits were down from £4.13m to £4.02m.

A year of record sales but rising costs

Addressing stockholders at the 52nd Annual General Meeting of Imperial Chemical Industries Limited, held in London on Wednesday, 18th April 1979, the Chairman, Mr. Maurice Hodgson, said:

"In welcoming you to this year's Annual General Meeting I would like to begin by paying tribute to two Directors who retired at the end of March, Alf Spinks, Research and Technology Director, and Fred Hillebrandt, Finance Director. I am pleased to say that both are in the audience this morning and I cannot help wondering how we look as they observe us now from the other side. I am sure you would like to join with me in taking this opportunity to pay tribute to their outstanding contributions to the Company's fortunes. I would also like to welcome three new Directors, Brian Smith, who is responsible for fibres, textiles and dyestuffs, Charles Reece, who is taking responsibility for Research and Technology and pharmaceuticals, and Alan Clements, who becomes Finance Director.

It has been said that a week in politics is a long time. Perhaps events in industry do not have such a short fuse but a year as Chairman of the Company does seem a long time and, in considering what comments to make this morning, the problem has been one of selection from the many topics that have occupied us since a year ago.

I will start by briefly comparing 1978 with 1977. We sold our shareholding in Imperial Metal Industries Limited in November 1977 and IMI's results were consolidated into the ICI Group results for the first ten months of 1977. This is why there is an apparent small reduction in Group sales in 1978. I think it will be best if I make the comments which follow on an IMI-free basis, and on this basis our sales were up 6 per cent by value and our profits down by 3 per cent.

Sales

Sales up, profits down. That requires some explanation. Let me deal with the sales first. They were up 6 per cent by value and 5½ per cent by volume, so prices increased by only one-half per cent on average. I need hardly remind you how far that increase falls short of what we needed to recover the effects of inflation on our costs, to which I will return in a few moments. Why then did prices remain so low, and indeed actually decline in some parts of the business?

The main cause was the continuing highly competitive nature of the chemical industry. The ICI Group has to compete with some of the most efficient companies in the world, especially in Germany and the United States, and I assure you we do not need legislation to keep prices down. The world market place for our products provides a most effective mechanism without any assistance from governments.

Competition continues to be intensified by over-capacity. I said last year that the chemical industry world-wide is growing more slowly now, and this slower growth continued in 1978. In the OECD countries it was at a rate of 6 per cent by volume, so we did not quite retain our world market share. This was primarily because the market in the United Kingdom hardly grew at all, and we were only able to increase our sales here by 3 per cent. Capacity continued to exceed demand in most sectors, and fibres and plastics were once again in difficulty, particularly in Europe. You will see we again lost money on the fibres business in Europe and it is cold comfort, though some comfort nonetheless, that many of our European competitors lost much larger sums. No one company can solve the problem of low prices and we welcomed the initiative of Vicomte Davignon, EEC Industrial Commissioner, when he tried last year to find ways of bringing production capacity for fibres into better balance with demand without offending against EEC competition policy. The fibres problem needs this special treatment, but we believe it is the responsibility of the industry to put its own house in order to prevent other sectors getting into such desperate straits.

Cost of energy

I mentioned rising costs. There are two major costs which require particular comment. The first is the cost of energy. The slower growth of the chemical industry to which I have referred dates essentially from the quadrupling of the crude oil price by the oil exporting countries in 1973, and this increase has been followed by others. The price of crude oil of average quality has increased from about £8 per ton to nearly £60 per ton in six years, and this has been reflected in the costs of other forms of energy – electricity, coal and natural gas.

The ICI Group is affected in two ways. We use large amounts of energy in the form of steam and electricity for the operation of our plants, and we use oil fractions, especially naphtha, as raw materials for over half of the products we make. You will be aware of the very large increase in naphtha price, above even the general increase in energy costs, which has occurred during the past few months, from about £70 per ton last June to a peak of £150 per ton a month ago, and although there has been a modest decline since then, it is most unlikely that we will see a return to last year's levels. When I joined the Board in 1970 we were paying about £8 per ton.

The size of the effect on our costs becomes clear if you bear in mind that the ICI Group consumes the equivalent of about 15 million tons a year of crude oil and crude oil fractions, costing currently about £750 million. Our bill for naphtha in the United Kingdom alone is likely to be £350 million this year, which is £100 million higher than in 1978.

Our response must be to improve the efficiency with which we use energy and energy related raw materials, and we have been doing this. The 1977 Annual Report showed we had reduced the amount of energy we use per ton of product by 18 per cent between 1971 and 1977. This is equivalent to an average reduction of 3.2 per cent a year, and I am pleased to say we progressed last year at a slightly higher rate. However, we need to do still better, and we will only attain a higher rate of improvement if everyone is committed to it. A major contribution will have to come from improved technology and new plants, hence the continuing need for a substantial level of investment.

Currency effects

We have an offsetting investment through our interest in the Ninian oilfield. The first oil is now being pumped ashore at Sullom Voe in the Shetlands and from 1980 onwards our share of it will supply about one-third of our total needs in the United Kingdom. This will provide some compensation for increasing energy costs but we will continue to depend on purchase for the greater part of our requirements.

There is another, more subtle, effect of the escalating price of oil. Through the availability of North Sea oil, it is now raising the value of the pound sterling. As the second largest exporter from this country, we are therefore caught twice because our costs are increased and our exports from the United Kingdom become less profitable. The magnitude of the effect is shown clearly by the fact that a creditable increase of 7 per cent in our export volume last year yielded receipts 1 per cent less in sterling terms. If sterling had remained at its average 1977 value, our receipts from these exports would have been £60-70 million higher, and all of the increase would of course have been extra profit.

I said at our Press Conference that the harder the pound sterling the harder we have to work to remain competitive. This is a formidable task which will become even more so if sterling continues to harden. Nor is the effect confined to exports. The United Kingdom domestic market is affected also because exporting to the United Kingdom becomes more attractive for our competitors, especially those in the USA, who also start with the substantial advantage of lower energy costs, as well as having a weak dollar to help them.

I have dealt with the energy problem and its relationship to the value of sterling at some length, but I hope you will agree it is of outstanding importance at the present time.

Productivity improvement

This brings me to the second of our two major cost factors, that of manpower. The popular image of ICI is of vast petrochemicals plants, largely automatically controlled and with few operators. This is a fair view, but only of the capital intensive part of our business. Other parts are labour intensive, for example fibres, pharmaceuticals, paints and plant protection. Manpower costs are very important to us overall and absorb over 20 per cent of our sales income. This inevitably brings me to the subject of manpower productivity. After visiting all the ICI divisions and some overseas operating units last year, I have to admit that the word "productivity" is now about the biggest turn-off in the English language, because it is associated in many people's minds with sweatshops, speeded up assembly lines and redundancy. I wish I knew another word which would put the concept positively, because improved productivity really means the higher standard of living to which we all aspire, whatever our individual priorities. Productivity increases when people are better trained and motivated; when they are in better health; when they work in better environments; when they use more efficient equipment; when they develop better technology; when they move from less efficient industries to more efficient industries; and when they manage their affairs more efficiently. They may even find themselves working less hard because they are working more effectively.

I told you last year we have a target of a 10 per cent improvement year on year in the quantity of product we make per employee. Last year the improvement was 7 per cent, largely as a result of investment in new and more efficient plants. This was a good achievement by United Kingdom standards but it is less than we need, so this year we will have to try even harder. Unfortunately, it is more difficult to improve productivity when sales are growing more slowly. Our competitors are continually improving their productivity and we are determined to catch up with the best of them, indeed we must because our wages and salaries are increasing faster than theirs. Recent wage settlements by our major competitors have been at relatively low rates, for example 5 per cent in Germany and 6 per cent in Holland, whereas recent settlements in the United Kingdom have been much higher. The level of industrial output in the United Kingdom last year was only slightly higher than in 1974, but the average levels of wages and salaries in this country are nearly twice what they were at that time.

Record capital expenditure

Turning now to our investment programme, you will see that our capital expenditure last year was at the record level of £700 million, over half in the United Kingdom. As expected, we sanctioned new projects at about the same rate as in 1977. Major projects completed include a dyestuffs intermediates plant at Stevenston in Scotland, a PVC plant at Runcorn, ethylene oxide derivatives at Wilton, a herbicide plant at Huddersfield, a bulk drug plant in Germany, soda ash extensions in Australia and polyester film extensions in the USA. This year we expect to start-up the protein, nitric acid and 'Nitram' plants at Billingham, chlorinated solvents at Runcorn, 'Procion' dyestuffs at Grangemouth, ethylene oxide and glycol at Wilton, PVC at Hillhouse and hopefully No. 6 Olefine plant at Wilton. Overseas, we will complete a 'Propathene' plant in Holland and a chlorine plant in Canada. This list, which is only of the major items, illustrates well the broad product and territorial spread of the Group, which continues to stand us in good stead.

I said last year that since there were worthwhile investment opportunities open to us and our liquidity was satisfactory, we were proposing to invest at a rate somewhat greater than our profitability justified. Although profitability improved in the first half of the year, the improvement was not sustained and we therefore drew on our liquid resources to the extent of about £150 million. Capital expenditure this year is, as always, largely pre-determined by sanctions in previous years and, since we began 1979 with £1.1 billion sanctioned but unspent, we will probably spend a little more this year than last, and we will almost certainly draw further on our liquid resources, which stood at about £400 million at the beginning of the year. I believe we need to keep our sanctions this year under careful review and they will be somewhat below the record levels of 1977 and 1978. Our continuing support for the United Kingdom is demonstrated by the fact that we are investing here at a rate of more than £1 million *per day* in new plants. Our aim must be to enter the 1980's with the most modern and efficient processes and equipment, and it is likely that 40 per cent of our United Kingdom sanctions this year will be for modernisation and cost reduction projects.

Dangers in Comecon deals

There is one final subject to which I would like briefly to refer. This is the proliferation of so-called compensation deals with Comecon countries. These provide them with Western technology for the construction of chemical plants, which are subsequently paid for in kind by exporting product from the plant to Western markets. This is, of course, a very favourable arrangement for the country concerned. It receives Western technology usually for a fraction of its true worth, together with the finance needed to buy equipment and pay for the construction of the plant, often provided at low or negligible rates of interest. We then help them load up the plant quickly, sometimes disrupting our own markets with low priced imports we do not need. We welcome the opportunity to trade with Comecon countries provided this is done on a basis which gives us equal access to their markets, but arrangements of this kind are far from even handed between the two parties. Moreover, when they are entered into by American or Japanese companies, it is the European market which sometimes has to bear the burden of the unwanted imports. These are potentially threatening developments.

Resolution

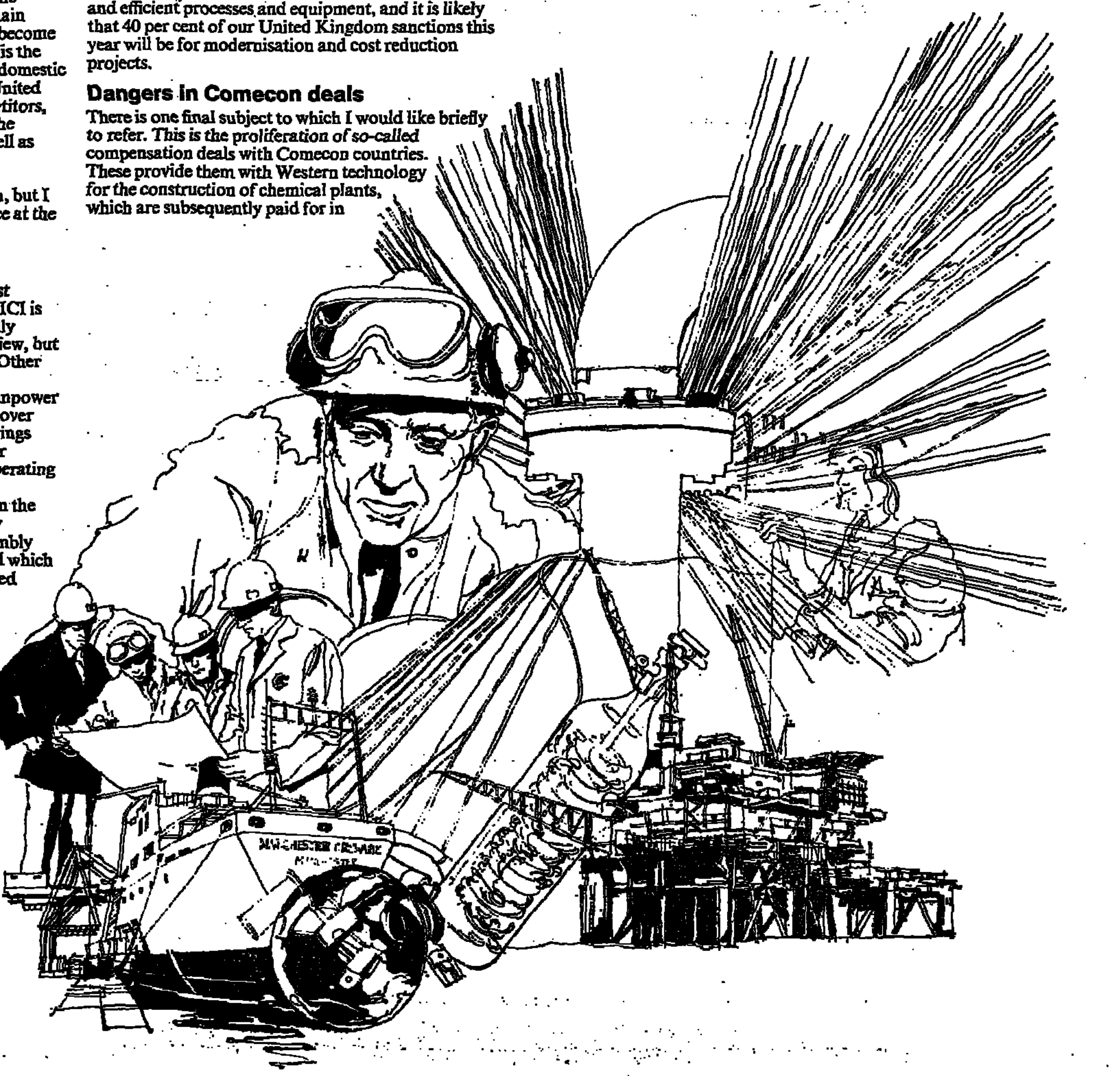
I would like now to refer to the resolution set out in the Notice of the Meeting. This asks for authority to place small amounts of ordinary stock in support of applications for listing on foreign stock exchanges, and for authority to issue, in international markets, foreign currency securities convertible into ordinary shares. This resolution is essentially seeking renewal of the authority given at last year's Annual General Meeting.

Prospects for 1979

Turning finally to prospects for the current year, I have to say that we got off to a poor start. The transport strike, which had nothing to do with industrial relations in ICI, lost us nearly £100 million in sales, about half of which seems unlikely to be retrieved. Costs will no doubt increase further this year, but I am pleased to say the urgent need for a general upward movement in prices now seems to be widely recognised, and we have succeeded in achieving part of the necessary increases, for example for our petrochemicals and plastics. Much remains to be done, both to reduce costs and increase prices, if we are to improve our profitability to the level required to finance growth and modernisation. I am optimistic that we have the people and technology to meet these problems and I would like to thank all our employees for the way they are facing up to them. I was particularly grateful for their energy and flexibility during the transport strike in January, without which our sales losses would have been much greater.

ICI

Imperial Chemical Industries Limited



Wadkin ahead to £2.05m

PRE-TAX profits of Wadkin rose from £1.76m to £2.05m in 1978 on sales ahead from £19.99m to £23.65m. At the halfway stage when the surplus was up from £805,000 to £1.01m the directors forecast a year-end improvement.

The increase in sales came from the home market where turnover rose from £10.93m to £14.53m. Overseas sales were virtually static at £9.12m.

A final dividend of 4.22p net per 50p share lifts the total from 5.86p to 6.47p.

After tax of £394,000 (£525,000) attributable profit is well up at £1.66m, compared with £1.23m. Stated earnings per share are ahead from 25.62p to 34.48p, and before tax the earnings come out at 42.69p (36.56p).

The group makes woodworking machinery and machine tools.

Pitney Bowes jumps 36%

Both before and after tax profits of **Pitney Bowes**, the mailing and paper-handling equipment manufacturer, increased by about 36 per cent in 1978. This was on the basis of figures adjusted to take account of the company's disposal to Pitney-Bowes, Inc., of its Swedish subsidiary, Pitney-Bowes Svenska A.B., and other assets to other members of the group.

On the same basis turnover improved 23.9 per cent.

Profit after tax and loan stock interest was £1.01m, an increase of 63.4 per cent over 1977's £618,000.

The UK company's unadjusted turnover was £20.39m against £18.97m.

The Board says a good start has been made to 1979 and given improved economic conditions it expects another excellent year.

Delta Metal confident after 19% increase to £28.5m

TAXABLE profits of Delta Metal Company jumped 19 per cent to a record £28.45m in 1978 on sales up from £420.14m to £448.7m. And the group is confident of a further increase in the current year.

Lord Caldecote, the chairman, says in his annual statement that 1979 started reasonable well with good demand for most products. But the UK divisions were hit by pay disputes in the road haulage industry and in the group itself.

On the export side it is difficult to achieve orders at acceptable prices, adds Lord Caldecote. However, reports from overseas companies are encouraging.

The adoption of a new accounting policy SSAP 14 has meant that taxable profits have been reduced. This is because the principal South African operation McKechnie Delta Holdings (Pty) (the Macdem Group) has been treated as an associate *instead* of a subsidiary. Profits before implementing the new standard were £31.8m, against £26.7m, confirming the chairman's September forecast of higher profits. The 1977 profits have been restated at £23.85 to comply with the standard which does not affect attributable profits.

But Lord Caldecote says that although last year's results show a considerable improvement, return on capital employed is only 14.1 per cent. With inflation running at about 10 per cent this is clearly inadequate, and they aim to improve it, he adds.

The contribution from the UK operations further improved last year with profit before interest up 29 per cent at £28.9m despite disputes which reduced profits by about £2.5m compared with 1977.

Overseas profits fell £1.3m to £8.9m. The South American operations suffered a turnround from £0.84m profit to a £0.14m loss and the surplus from Western Europe dropped from £0.86m to £0.26m, which included £0.5m due to currency movements.

Lord Caldecote says that in the UK the improved demand for finished products in the first-half was sustained in the second, particularly in areas serving the home improvements markets.

As a result the building products and cables divisions showed improved results and the electrical side also did better until hit by industrial disputes.

Demand for semi-manufactured products and components did not strengthen until later in the year, but the programme of rationalisation and plant improvement in recent years made a substantial impact. This enabled Rod, ERM and Components divisions to show much better results.

Second-half pre-tax profits were well up—from £12.17m to £15.53m—on the same period the previous year, and on the first half of 1978, at the end of which the surplus stood at £12.92m.

On the export side the volume was lower but the value was virtually unchanged at £63.6m after the sharp increases of the two previous years.

There was a small increase in total borrowings to £78.3m at the year-end, compared with £74.2m. Increased copper prices—ahead from £666 per tonne to £774—contributed to this as did heavy capital spending on new plant and facilities.

Tax, based on SSAP 15, takes £7.76m, against £8.08m; and after outside shareholders interests and preference dividends attributable profits are well up at £19.83m, compared with £14.7m.

There is a turnround from an after tax loss of £4.12m to a profit of £2.54m on the metal account. The surplus goes into the metal price contingency reserve.

A £6.23m surplus on property revaluation is transferred to the general capital reserves.

The final net dividend of 3.7837p lifts the total from 5.0183p to 5.6037p, and stated earnings per share are well up from 10.6p to 13.9p.

On a current cost basis taxable profits are reduced to £21.2m, which is 54 per cent higher than the previous year.

Meeting, Waldorf Hotel, WC, May 17 at noon.

See Lex

Harris Queensway on target and this year starts well

AGAINST A forecast of not less than £5.3m made at the time of its offer for sale last November, pre-tax profits of Harris Queensway Group reached £5.45m for the year ended December 23, 1978. For the previous 51 weeks, a £1.62m surplus was achieved.

Sales of the carpet and household furniture retailer jumped from £29.82m to £52.98m, and the directors say the current year has started well.

Although the bad weather tended to depress sales in the first five weeks of this year, sales and profits are now very satisfactory and 1979 promises to be another successful year.

Stated earnings per 20p share increased from 7.84p to 24.52p and as forecast in the prospectus, a dividend of 4.5p net is payable for the year, costing £325,000 after waivers of £350,000.

The group balance sheet has been substantially strengthened during the year, net tangible assets increasing from £2.8m to £7.3m. Net cash balances at December 23 were above £4m and liquidity remains high.

	52 wks. 1978 £000	51 wks. 1977 £000
Turnover	52,978	29,822
Trading profit	4,969	1,427
Property surplus	486	192
Profit before tax	5,455	1,619
Taxation	1,777	522
Net profit	3,678	1,097
Dividend	†325	1
Retained	3,353	1,096

† After £350,000 waivers.

● comment

In view of the November prospectus **Harris Queensway's** profits are hardly surprising. The question now is how far Harris can push ahead in 1979. New store openings will have an impact on the second half but these aside Harris is looking for increased market share. Ross carpets only made a token contribution in 1978 and this could be much higher in 1979, also some surplus properties have been let bringing in about £125,000 in the second half. Moreover the cash position could be good enough to produce material investment income in 1979 as against an interest charge. Assuming that Harris does not find the right acquisition in the DIY field now that the Timberland deal has fallen through. Overall profits could be around £7m though this depends upon the level of property disposals, which so far have notched up around £250,000 of profit. The shares have had a good run since the offer for sale but even so at 242p the prospective p/e of under 8 (assuming tax of a third) and yield of at least 5 per cent still rates them worth holding.

Finance man quits Morgan Edwards

Mr. Neil Alexander has resigned as finance director of the food distribution group **Morgan Edwards**.

Mr. Alexander's corporate financial responsibilities, though not his day to day management functions, have for some time been handled by Mr. David Webster, a close associate of Mr. James Gulliver.

Just over a year ago Mr. Webster and another associate of Mr. Gulliver, who is best known as the former chief executive of Fine Fare and Oriel Foods, took a 29.5 per cent stake in ME, a holding which has since been transferred to the privately owned Gulliver Foods.

Mr. Alexander, who is 38, emphasised that there had been no disagreement with other members of the ME board. He was leaving, he said, because the company had recently been slimmed down and he now wished to find a new challenge.

Company meetings

Blagden and Noakes, Connaught Rooms, Great Queen Street, WC, 12. Richard Clay, Waldorf Hotel, W, 12. Hall Engineering, Dorchester Hotel, Park Lane, W, 12. London and Scottish Marine Oil, Elizabeth Suite, Barrington House, Gresham Street, EC, 11.30. Rolls-Royce Motors, Churchill Hotel, Portman Square, 12. Tate of Leeds, Parkway Hotel, Leeds, 12. Turner and Newall, 36 George Street, Manchester, 12.

H. P. BULMER

Shareholders of **H. P. Bulmer Holdings** are being asked to approve at an EGM the revision of a previously authorised employee deferred profit sharing plan in order to take advantage of last year's Finance Act.

The Act provides for a new form of scheme under which participating employees can benefit from a more favourable tax treatment than was available before.

هكذا من الأصل

Delta makes all these—to the highest standards.

Electricity
Adaptors
Armoured cable
Automotive switches
Bare wire
Braided leads
Busbar links
Capacitors
Ceiling accessories
Circuit breakers
Co-axial cables
Communication cables
Commutators
Compression glands
Consumer units
Contactors
Control panels
Cooker controls
Dimmer switches
Distribution power cable
Domestic electrical accessories
Domestic switchgear 250v.
Earth leakage breakers
Electrical repairs
Electrical switchgear 500v.
Enamelled wire
Extension reels
Festoon lighting
Fine wire
Flexible leads
Fusegear and enclosures
Housewiring cables
Immersion heater plugs
Industrial connectors
Industrial power cables
Lampholders
Micro switches
Motor control gear
Motor starters
Moulded case breakers
Overload relays
Plugs and sockets
Power cable accessories
Rubber cables
Shaver sockets
Signalling cable
Single phase motor switches
Special lighting
Special purpose cables
Switch enclosures
Television aerials
Textile covered wire
Thermostats
Water resistant switches
Welding cables

Water
Ball valves
Basin mixers
Basin taps
Bath mixers
Bath taps
Bibcocks
Bidet fittings
Bottle traps
Butterfly valves
Capillary fittings
Check valves
Compression fittings
Copper tubes
Corner tees
Diverter valves
Drain cocks
Elbows and bends
Fire fighting equipment
Gate valves
Globe valves
Isolating valves
Manifolds
Micro-bore fittings
Overflows
Panel bath mixers
Pipe clips
Plastic taps
Plug cocks
Pop-up wastes
Radiator valves
Safety valves
Shower mixers
Sink mixers
Sink taps
Stopcocks
Stop valves
Tap connectors
Thermostatic showers
Union couplings
Washing machine stopcocks
Wastes

Gas
Appliance controls
Bottle gas valves
Burner controls
Burners
Compression union cocks
Copper tube
Cylinder valves
Flame-failure valves
Flexible tube cocks
Gas fire fittings
Gas pipe work
Gas taps
Governor adaptors
Grill taps
Hob assemblies
Ignition devices
Jet cocks
Lightweight controls
LPG valves
Main cocks
Meter control cocks
Refrigeration fittings
Relay valves
Solenoid valves
Spring loaded valves
Supply connectors
Tapered taps
Thermostats
Top rail taps
Union cocks

Non-Ferrous Alloys
Brass wire
Continuously cast alloys
Electrolytic manganese
Extruded brass rod and section
High conductivity copper rod, section and wire
Metal re-cycling
Metal stockholding
Nickel silver strip
Phosphor bronze strip
Rolled brass product
Rolled copper sheet
Special copper alloy extrusions

Engineering Components
Automotive components
Battery terminals
Bicycle components
Brake fittings
Castings and forgings
Conveyor systems
Corrosion protected components
Die-castings
DIY hardware
Engineering copper tube
Fasteners
Fine splinder beads
Fluid couplings
Fuel taps
Handwheels
Heat exchangers
Hooks and chains
Hot brass stampings
Marine fittings
Masonry fixings
Metal pressings
Packaged airconditioning
Pneumatic couplings
Precision machined parts
Pump assemblies
Refrigeration fittings
Stainless steel valves
Steel shackles
Synchro-rings
Thermoplastic components
Tools and dies

Delta employs over 29,000 people throughout the world.

London and Home Counties
Number of employees: 3,200
Bill Switchgear Ltd., Kenley
British Electrical Repairs Ltd., Tottenham, London
British Electrical Repairs Ltd., Woolwich, London
Collinson Precision Screw Co. Ltd., Walthamstow, London
Dawn Screw Co. Ltd., Waltham Abbey
Delta Enfield Cables (Holdings) Ltd., Enfield
Delta Enfield Cables Ltd., Brighton
Delta Enfield Cables Ltd., Canterbury
Delta Enfield Cables Ltd., Chatham, London
Delta Enfield Cables Ltd., Enfield
Delta Enfield Cables Ltd., Greenwich, London
Delta Enfield Cables Ltd., Reading
Delta Enfield Cables Ltd., Tottenham, London
The Delta Metal Co. Ltd., (Head Office), London
Delta Metal Electrical Holdings Ltd., Hayes
Delta Metal Electronics Ltd., Hayes
Delta Metal Overseas Ltd., Enfield
Delta Rods (London) Ltd., Greenwich, London
Deltaflow Ltd., Camberwell, London
Deltaflow Ltd., Crawley
Enfield Rolling Mills Ltd., Enfield
E.R.M. Rolled Metals Ltd., Enfield
E.R.M. Shaped Metals Ltd., Enfield
Enfield Winding Wires Ltd., Enfield
Harris & Edgar Ltd., Croydon
Instrument Screw Co. Ltd., South Harrow
Lambeth Commutators Ltd., Croydon
Metal Containers Ltd., Enfield
Midland Electric Manufacturing Co. Ltd., Chiswick, London
Nyton Ltd., Wandsworth, London
J. Smith & Sons (Clerkenwell) Ltd., Biggleswade
J. Smith & Sons (Clerkenwell) Ltd., Brackley
J. Smith & Sons (Clerkenwell) Ltd., Clerkenwell, London
J. Smith & Sons (Clerkenwell) Ltd., Horsham
Wade Couplings Ltd., Woolwich, London
Walthamstow Turned Parts Ltd., Hoddesdon
Wandleside Cables Ltd., Charlton, London
Wellif Co. Ltd., Merton, London
Eastern Counties
Number of employees: 700
British Electrical Repairs Ltd., Grimsby
British Electrical Repairs Ltd., Norwich
Delta Enfield Cables Ltd., Ipswich
Delta Enfield Cables Ltd., Norwich
Delta (Manganese Bronze) Ltd., Ipswich
Delta Materials Research Ltd., Ipswich
Johnson & Phillips (Capacitors) Ltd., Haverhill
Refrigeration Appliances Ltd., Haverhill
Manchester and North-West
Number of employees: 2,100
Bill Switchgear Ltd., Manchester
British Electrical Repairs Ltd., Liverpool
British Electrical Repairs Ltd., (Head Office), Manchester
British Electrical Repairs Ltd., Manchester
Delta Enfield Cables Ltd., Bolton
Delta Enfield Cables Ltd., Bootle
Delta Enfield Cables Ltd., Stalybridge
Delta Extruded Metals Co. Ltd., Swinton
Deltaflow Ltd., Manchester
Delta Index Ltd., Rochdale
Delta Metal Stockholders Ltd., Swinton
Johnson & Phillips (Capacitors) Ltd., Manchester
Lancashire Repetition Ltd., St. Helens
Midland Electric Manufacturing Co. Ltd., Manchester
Nestle Accessories Ltd., Chadderton
Nevill Druce & Co. Ltd., Romiley
Sparrya & Co. Ltd., St. Helens
The Midlands
Number of employees: 11,225
Acconda Metal Pressings Ltd., Birmingham
Barker & Allen Ltd., Birmingham
Bill Switchgear Ltd., Aldridge
Bill Switchgear Ltd., Birmingham
Bonnella Switches Ltd., Northampton
British Electrical Repairs Ltd., Birmingham
British Electrical Repairs Ltd., Chesterfield
British Electrical Repairs Ltd., Crewe
British Electrical Repairs Ltd., Northampton
Conex-Sanbra Ltd., Tipton
Delta Building Products Ltd., Birmingham
Delta Capillary Products Ltd., Tipton
Delta Components Holding Ltd., West Bromwich
Delta Crro Ltd., Birmingham
Delta Enfield Cables Ltd., Birmingham
Delta Enfield Cables Ltd., Luton
Delta Enfield Cables Ltd., Nottingham
Delta Metal International Ltd., West Bromwich
Delta Repetition Components Ltd., Birmingham
Delta Rods (West Bromwich) Ltd., West Bromwich
Delta Rod Holdings Ltd., West Bromwich
Delta Rods (Wolverhampton) Ltd., Wolverhampton
Delta (S & G) Ltd., Wednesbury
Delta Sandwell Castings Ltd., West Bromwich
Delta Tubes Ltd., Birmingham
Delta Wire Ltd., Birmingham
Deltaflow Ltd., Bilston
Deltaflow Ltd., Birmingham
Deltaflow Ltd., Cannock
Deltaflow Ltd., Wolverhampton
Elmington & Co. Ltd., Walsall
E.R.M. (Drawn Metals) Ltd., Birmingham
Enfield Rolling Mills Ltd., Birmingham
Evered Ltd., Dudley
Hartland & Eastwood Ltd., Cannock
Johnson & Phillips (Capacitors) Ltd., Birmingham
Lamet Metal Works Ltd., Birmingham
Merrill Booth & Co. Ltd., Birmingham
Merrill Booth & Co. Ltd., Smethwick
Midland Electric Manufacturing Co. Ltd., Birmingham
Midland Electric Manufacturing Co. Ltd., Redditch
Moor Foundry Ltd., Willenhall
Parvel Mitchell & Breedan Ltd., Birmingham
Rose, Thompson & Lloyd Ltd., Birmingham
J. Smith & Sons (Clerkenwell) Ltd., Attleborough
J. Smith & Sons (Clerkenwell) Ltd., Brierley Hill
D. P. Taylor & Co. Ltd., Birmingham
Wade Couplings Ltd., Birmingham
Wall & Loyns (Thermoplastics) Ltd., Wednesbury
Wellif Co. Ltd., Brierley Hill
Charles Winn (Valves) Ltd., Birmingham
Southern England
Number of employees: 1,325
Altus Engineering Co. (Corsham) Ltd., Corsham
Bill Switchgear Ltd., Bristol
Bonnella Switches Ltd., Cheltenham
British Electrical Repairs Ltd., Poole
British Electrical Repairs Ltd., Southampton
Delta Enfield Cables Ltd., Bristol
Delta Enfield Cables Ltd., Eastleigh
Delta Extruded Metals Co. Ltd., Bristol
Midland Electric Manufacturing Co. Ltd., Bristol
J. W. Singer & Sons Ltd., Frome
J. Smith & Sons (Clerkenwell) Ltd., Bristol
Solent Repetition Ltd., Portsmouth
Yorkshire & The North-East
Number of employees: 650
Bill Switchgear Ltd., Leeds
Bolivar Stamping Ltd., Keighley
British Electrical Repairs Ltd., Doncaster
British Electrical Repairs Ltd., Leeds
British Electrical Repairs Ltd., Newcastle
British Electrical Repairs Ltd., Teesside
Delta Enfield Cables Ltd., Gateshead
Delta Enfield Cables Ltd., Ossett
Delta Enfield Cables Ltd., Wakefield
Delta Metal Stockholders Ltd., Cleckheaton
Delta Metal Stockholders Ltd., Gateshead
Johnson & Phillips (Capacitors) Ltd., Sheffield
Midland Electric Manufacturing Co. Ltd., Newcastle
Midland Electric Manufacturing Co. Ltd., Washington
Wellif Co. Ltd., Washington
Northern Ireland
Number of employees: 150
Bill Switchgear Ltd., Belfast
Delta Enfield Cables Ltd., Belfast
Wandleside Cables Ltd., Dunmurry
William Reay (Belfast) Ltd., Belfast
Scotland
Number of employees: 750
Bill Switchgear Ltd., Glasgow
British Electrical Repairs Ltd., Aberdeen
British Electrical Repairs Ltd., Edinburgh
British Electrical Repairs Ltd., Glasgow
Delta Capillary Products Ltd., Dundee
Delta Enfield Cables Ltd., Aberdeen
Delta Enfield Cables Ltd., Cambuslang
Delta Enfield Cables (Scotland) Ltd., Cambuslang
Delta Enfield Cables Ltd., Edinburgh
Delta Extruded Metals Co. Ltd., East Kilbride
Harris & Edgar Ltd., Grangemouth
Johnson & Phillips (Capacitors) Ltd., Glasgow
Scottish Repetition Ltd., Shotts
J. W. Singer & Sons Ltd., Glasgow
Wales
Number of employees: 860
British Electrical Repairs Ltd., Cardiff
British Electrical Repairs Ltd., Swansea
Delta Enfield Cables Ltd., Cardiff
Delta Enfield Cables Ltd., Llanelli
Midland Electric Manufacturing Co. Ltd., Holyhead
Nevill Druce & Co. Ltd., Llanelli
Overseas
Africa
Number of employees: 1,850
Aerial Cables & Electrical (Pty) Ltd., Johannesburg
Amalgamated Electrical Services Ltd., Bulawayo
Atom Armature Winding (Pty) Ltd., Bloemfontein
Atom Armature Winding (Pty) Ltd., Postmasburg
Bilston Investments (Pty) Ltd., Johannesburg
Bonnycan Electric Co. (Pty) Ltd., Johannesburg
Bruce Webb (Private) Ltd., Bulawayo
Curling & Co. (Private) Ltd., Bulawayo
Curling & Co. (Private) Ltd., Que Que
Curling & Co. (Private) Ltd., Salisbury
Delta Enfield Cables (S.A.) (Pty) Ltd., Johannesburg
Delta Enfield Engineering (Zambia) Ltd., Ndola
Delta Manganese (Pty) Ltd., Nelspruit
Delta Marco (Pty) Ltd., Johannesburg
East African Cables Ltd., Mombasa
East African Cables Ltd., Nairobi
Enfield Cables (Private) Ltd., Gwelo
Enfield Cables (Private) Ltd., Salisbury
Enfield Holdings Ltd., Bulawayo
F. G. Licence Engineering (Pty) Ltd., Durban
F. G. Licence (Mining) (Pty) Ltd., Dundee
F. G. Licence (Mining) (Pty) Ltd., Johannesburg
F. G. Licence (Mining) (Pty) Ltd., Witbank
F. G. Licence (Pty) Ltd., Durban
F. G. Licence (Pty) Ltd., Johannesburg
F. G. Licence (Pty) Ltd., Nelspruit
F. G. Licence (Pty) Ltd., Pietermaritzburg
Founders Electrical Ltd., Bulawayo
Gradiek (Pty) Ltd., Cape Town
Gradiek (Pty) Ltd., Durban
Gradiek (Pty) Ltd., East London
Gradiek (Pty) Ltd., Johannesburg
Gradiek (Pty) Ltd., Kempton Park
Gradiek (Pty) Ltd., Nelspruit
Gradiek (Pty) Ltd., Port Elizabeth
Marthinusen & Coutts (Pty) Ltd., Johannesburg
Johnson & Phillips Cables (S.A.) (Pty) Ltd., Johannesburg
Stanco (Zambia) Ltd., Ndola
Stevens Temple (Pty) Ltd., Johannesburg
Australia
Number of employees: 1,150
Delta Metal Holdings (Australia) Pty Ltd., Melbourne
Develcon Pty Ltd., Melbourne
D. M. Hull & Co. Pty Ltd., Melbourne
Extruded Metals Pty Ltd., Melbourne
F. J. Sweetman & Co. Pty Ltd., Bunbury W.A.
F. J. Sweetman & Co. Pty Ltd., Darwin
F. J. Sweetman & Co. Pty Ltd., Karratha W.A.
F. J. Sweetman & Co. Pty Ltd., Perth
Galvanizing Industries Pty Ltd., Melbourne
Machin & Ewen Pty Ltd., Sydney
M.E.M. (Australia) Pty Ltd., Sydney
S. J. Industrial Supplies Pty Ltd., Melbourne
West Footscray Engineering Works Pty Ltd., Melbourne
Westray Engineering Pty Ltd., Sydney
Brazil
Number of employees: 1,150
Delta Metal S.A. São Paulo
Malaysia
Number of employees: 100
Delta Enfield Cables Ltd., Kuala Lumpur
M. E. M. Malaysia Sdn. Bhd., Penang
Middle East
Number of employees: 50
BEPL Middle East Ltd., Sharjah
Delta Enfield Cables Ltd., Dubai
The Delta Metal Co. Ltd., Kuwait
Western Europe
Number of employees: 1,450
Etabs. Airindex S.A., Paris, France
Deltaflow S.A., Paris, France
Enfield Rolling Mills Ltd., Dublin, Eire
A/S Brdr. Jørgensen Handbjul, Holstebro, Denmark
Mass-Kabel B.V. Heerlen, The Netherlands
Metal Spinners (Ireland) Ltd., Newtownmountkennedy, Eire
Sanbra Fyffe (1976) Ltd., Dublin, Eire
Société Industrielle Française des Etablissements Demerciere S.A., Ain, France
Etabs. Soudillon S.A., Tours, France
Zulauf G.m.b.H., Frankfurt, Germany

Delta exports to the following countries.
Algeria
Angola
Argentina
Australia
Austria
Bahamas
Bahrain
Bangladesh
Barbados
Belgium
Belize
Brazil
Brunei
Burma
Cameroon
Canada
Chile
China
Columbia
Cuba
Cyprus
Denmark
Ecuador
Egypt
Ethiopia
Fiji
Finland
France
Gambia
Ghana
Gibraltar
Greece
Guyana
Hong Kong
Hungary
Iceland
India
Indonesia
Iran
Iraq
Irish Republic
Italy
Jamaica
Japan
Jordan
Kenya
Kuwait
Lebanon
Leeward & Windward Isles
Libya
Luxembourg
Malaysia
Malawi
Malta
Mauritius & Seychelles
Mexico
Morocco
Muscat & Oman
Nepal
Netherlands
Netherlands Antilles
New Zealand
Nigeria
Norway
Pakistan
People's Democratic Republic Of Yemen
Peru
Philippines
Poland
Puerto Rico
Portugal
Qatar
Rumania
Saint Helena
Saudi Arabia
Sierra Leone
Singapore
Solomon Isles
South Africa
Sri Lanka
Spain
Sudan
Sweden
Switzerland
Syria
Tanzania
Thailand
Trinidad & Tobago
Tunisia
Turkey
United Arab Emirates
Uganda
Union of Soviet Socialist Republics
United States of America
Venezuela
West Germany
Yemen Arab Republic
Zambia

Highlights from DELTA 1978 results.

	1978 £ million	1977 £ million
Sales	448.70	420.14
Profit before Tax	28.45	23.85
Profit attributable to ordinary shareholders	19.83	14.70
Earnings per ordinary share	13.9p	10.6p
Ordinary dividends: per share	5.6p	5.0p
times covered	2.5	2.1
Capital employed	268.85	245.15
Return on capital	14.1%	13.3%
Net assets per ordinary share	110p	98p

* **Delta had a successful year in 1978. Pre-tax profits increased by 19% to a record £28.5 million.**
* **Earnings per share improved by 31% to 13.9p.**
* **Demand for finished products improved during the first half of the year and was sustained in the second, particularly in those areas serving the home improvement market.**
* **The year has started reasonably well with good demand for most of our products…There are many difficulties ahead in 1979 but…I am confident that in the absence of unforeseen circumstances…profits in 1979 will show a further increase.**

Lord Caldecote, Chairman

It all adds up to £450,000,000 of world sales for DELTA

Products and services for the control and supply of electricity, water and gas as well as components and non-ferrous alloys—worldwide.

If you would like a copy of Delta's Annual Report please contact the Secretary
The Delta Metal Company Limited, 1, Kingsway, London WC2B 6XF
Telephone: 01-836 3535. Telex: 27762

MINING NEWS

Inco has a bad first quarter, but . . .

BY KENNETH MARSTON, MINING EDITOR

DESPITE the recovery in the market for nickel, a heavy setback is reported in first quarter earnings of the world's leading producer of the metal, Canada's Inco. They amount to only US$0.5m (£0.24m), equal to a loss of 6 cents per share after allowing for preferred dividends.

The latest profit compares with $10.1m in the fourth quarter of 1978, or 7 cents per share, when the year's total reached $77.8m. Inco is declaring an unchanged second quarterly dividend of 10 cents for the current year. Last year there were three payments of 20 cents and one of 10 cents.

During the past quarter Inco increased its sales of nickel and enjoyed higher prices for its precious metals—notably platinum—and for cobalt. Other income to increase included gains on the sales of securities. On the other hand, these advantages were heavily outweighed by $23m interest charges—offsettable against tax—on the Guatemalan and Indonesian projects.

Then, too, there was a seasonal down-turn in earnings of Inco's ESB electric battery subsidiary and a currency exchange loss of $5.3m. In addition there was the cost of the continuing strike at the Sudbury, Ontario, nickel operations and the consequent loss of the important copper by-product there.

● comment

The probability is that, as far as Inco is concerned, the storm has blown itself out in the past quarter. The company should now be reaping the benefits of the improved market for nickel, notably of the price increases made in February and March which did not affect revenue in the first quarter. Since then prices have increased further to the current levels of between $2.41 to $2.55 per lb, depending on the products involved. Another indication of the improvement in the nickel market is the fact that Inco's metal stocks at March 31 had been reduced to 146m lb compared with 230m lb at December 31 and 341m lb at March 31, 1978. Admittedly, the Sudbury strike has been a major factor in this reduction of stocks, but Inco also comments on rising demand for the metal.

A sharp improvement in earnings of Inco is thus in prospect for the curernt and subsequent quarters and it will be helped by the proposed reductions in Ontario's mining tax. But now that the group is no longer awash with unsold nickel stocks, a settlement of the Sudbury strike assumes much greater importance to the company. Following the latest results the shares were lowered ½ to £12 in London yesterday; a reasonable settlement of the Sudbury strike could point them again in the direction of last year's £15 peak.

World consumption of uranium oxide is likely to ease slightly next year but should rise substantially in 1981, according to Nuclear Exchange Corporation (Nuexco), a California-based uranium broker. In its latest monthly report Nuexco says that world uranium consumption in 1980 should total a minimum 77m lb compared with 78m lb this year and should rise to 90m lb in 1981.

The estimates are based on needs of atomic reactors operating, under construction or on order as of January, 1979, excluding reactors fuelled by the Soviet Union. Although the figures take into account projected delays, suspensions and cancellations, they assume that there will not be any world-wide moratorium on licensing of new nuclear power plants.

ASSOC. MINERALS RIGHTS ISSUE

Australia's Associated Minerals Consolidated announces a renounceable offer of approximately 7,058,500 ordinary shares at $1.20 per share ($0.50 par value—$0.70 premium) is to be made to ordinary shareholders in the proportion of one new ordinary share for every two ordinary shares registered on May 11.

The new shares are payable by two instalments. The first instalment of 60 cents (25 cents capital, 35 cents premium) is payable on acceptance not later than June 15, with a further payment of 60 cents not later than December 15, 1979. The new shares and rights will be traded on the Australian Associated Stock Exchanges.

In the absence of unforeseen circumstances, dividends will be resumed for the year commencing July 1, 1979, at 7.5 cents per share (15 per cent p.a.) and this rate will be at least maintained on the increased capital.

The new ordinary shares to be issued will rank for 75 per cent of any dividend payable in respect of the year ending June 30, 1980 (based on the average amount paid upon the new shares for this period) and thereafter will rank equally in all respects with existing issued shares. It is not intended that a dividend will be paid in respect of the current financial year ending June 30, 1979.

GENERAL MINING & UNION CORPN. QUARTERLIES

THE CONTINUING story of the March quarterly reports from South Africa's gold and uranium producers now brings those from the General Mining and Union Corporation groups. As far as the latter is concerned, it is a fairly straightforward case of a higher bullion price producing increased profits.

This factor has outweighed lower gold production at Marievale, Winkelhaak and Kinross which has resulted in a fall in the grade of ore milled at these mines. The group's latest net profits are compared in the following table:

	March qtr. R000	Dec. qtr. R000	Sept. qtr. R000
Bracken	1,634	1,660	1,757
Grootvlei	2,081	1,780	1,314
Kinross	3,847	†3,672	3,520
Leslie	1,148	937	1,033
Marievale	635	808	699
St. Helena	7,285	†6,452	7,305
Winkelhaak	6,462	†6,152	5,639

† Restated.

For the General Mining group, the picture has been distorted by uranium sales which tend to vary from quarter to quarter. Thus, West Rand Consolidated has suffered a fall in uranium sales which, coupled with a reduction in the marginal gold grade, has resulted in a loss for the quarter after State aid.

Buffels has earned more thanks to increased uranium sales although the tax charge has risen owing to a pre-payment on uranium sales from which revenue has not yet been received. Stilfontein has made more from its gold and will join the ranks of the uranium producers when its R77.25m (£43.7m) plant is ready to receive slimes in the third quarter of this year.

The group's quarterly net profits are compared below.

	March qtr. R000	Dec. qtr. R000	Sept. qtr. R000
Buffelsfontein	12,761	11,785	11,876
Stilfontein	4,751	4,249	4,710
W. Rand Cons.	*‡502	¶11,289	243

* After repayment of State aid. † Restated. ‡ Loss. ¶ After receipt of State aid.

Record C$17m at Eldorado

CANADA'S Crown-owned Eldorado Nuclear attributes a big growth in 1978 revenue and earnings primarily to spot sales of uranium concentrates at advantageous prices, including the sale of most of its low-cost inventory built up during earlier years of operations, reports John Soganich from Toronto.

Net income last year jumped to a record C$17.6m (£7.38m) from C$6.9m in 1977. Revenue increased to C$124m from C$68.3m. Ore production at Beaverlodge, Saskatchewan, rose 20 per cent to 307,000 tons, while uranium concentrate output increased 8 per cent to 1,283,000 pounds.

Uranium dioxide for use as fuel in Canadian-designed Candu nuclear reactors rose by 14 per cent to 2.1m lb. Conversion of uranium hexafluoride for ultimate use in foreign light-water reactors fell to 7,096,000 lb from 8,525,000, however, as a result of production difficulties at the Port refinery and a seven-week strike in mid-1978.

The major capital commitment in 1978 was C$95m for the purchase of a one-sixth equity interest in a joint venture that includes the Key Lake uranium project currently under development in Northern Saskatchewan. The two Key Lake orebodies are estimated to contain at least 100m lb of uranium.

The total investment commitments made by Eldorado in 1978 amounted to C$133m. This is almost treble the cumulative expenditures between 1973 and 1977.

ROUND-UP

Canada's Anglo United Development is to start a diamond drilling programme in June on the most promising areas of uranium enrichment at its Irish prospect in County Donegal. Although funds in hand are sufficient for this and the company's other exploration work it is proposed to increase the authorised capital by 2m shares to 10m shares in order to make provision for additional financing which may be required for the 1979 and ongoing exploration activities. Northgate Exploration holds 27.7 per cent of Anglo United. The shares of the latter are around 220p.

* * *

Coniagas Mines has entered into a working option agreement with Falconbridge Copper over an 850-acre property in Lesueur Township, Quebec, which is owned by Coniagas. It contains a lead-zinc-silver mine which operated from 1961 to 1967. Falconbridge is committed to spend C$180,000 (£75,500) on exploration work by December, 1980.

UK COMPANY NEWS

Tilling set to invest heavily during 1979

THOUGH INTERNATIONAL trading is expected to get tougher Thomas Tilling is well placed to maintain its progress and has the financial strength for continued expansion in 1979, says Sir Robert Taylor, the chairman.

The company plans further substantial investment to maintain a high level of operating efficiency following on the £72m it spent last year.

It also intends to expand its interests in North America where so far in 1979 it has bought D. L. Saslow Company, distributor of dental supplies, Hosmer-Dorrance Corporation, manufacturer of artificial limbs and CLECON in the energy conservation field.

On group sales up from £811m to £1.03bn taxable profit last year was ahead to £64.9m (£53.9m)—as reported March 22. On a current cost basis along the Hyde guidelines, the surplus is cut to £47.9m (£36.6m) by £8.5m (£8.6m) additional depreciation, £13.5m (£14.1m) extra cost of sales less a £0.1m (£0.3m) net monetary working capital adjustment and a £4.9m (£5.7m) gearing adjustment.

Also in the U.S. it has agreed to acquire Summers Electric Company and a sizeable business in quarrying, construction materials and road surfacing. The combined cost of these acquisitions is around £50m.

At the end of 1978 share capital and reserves amounted to £313m and total funds including borrowings totalled £409m. Although borrowings showed a net rise of £30.9m, against a £24.8m decline, net borrowings represented only 25 per cent of total funds less goodwill, Sir Robert points out.

The net dividend is stepped up to 4.818p (4.315p).

Bank overdrafts and short-term loans at year-end were more than doubled to £67.2m (£31.2m) and capital spending commitments amounted to £39.4m (£26.7m) of which £20.3m (£21.7m) had been authorised but not contracted.

Meeting, CBI council chamber, SW, on May 11, at noon.

● comment

Thomas Tilling is looking for respectable rates of growth from its existing assets this year, and planning further substantial aquisitions. Bids for U.S. companies announced so far this year amount to about £50m, and a further £35m worth are likely to be completed by the time the year is out. In addition, the group is prepared to pay around £30m (in cash or paper) for acquisitions in the UK. Further research will be required before it moves into a big new area of activity, but Tilling says in general terms that it is very interested in the capital equipment sector in the UK.

In addition, capital spending will exceed 1978's £43m. So by the year end, Tilling's gearing (net borrowing expressed as a percentage of tangible capital employed) will rise from 25 per cent to nearer 40 per cent. That would be around the level which Tilling considers would be appropriate for a group of its type. By the year end, too, the U.S. should be accounting for around 25 per cent of Tilling's business, with another 10 per cent coming from continental Europe. And shareholders could be looking forward to a big dividend increase. The cover now is just over 5 times, and the group says cover of around 3 times would "not be unacceptable."

Helene of London up to £1.47m

FOLLOWING THE rise from £430,156 to £556,318 at mid-year, Helene of London, fashion leisurewear and textile merchanting group, finished 1978 with record pre-tax profits of £1,468,437, compared with £1,062,061 a year earlier.

Sales improved from £11.55m to £12.92m and are well up on the previous year in the first three months of 1979.

From stated earnings of 5.01p (4.31p) per 10p share, the dividend total is lifted from 0.6707p to the maximum permitted 0.7377p net with a 0.4024p final—should present regulations lapse in July, the directors intend to recommend payments totalling 1.3414p for 1978.

Tax took £784,504 (£550,098), of which £20,828 (£21,570) arose overseas, and after preference dividends, available profits advanced from £456,291 to £602,990. Ordinary payments absorb £88,720 (£80,663).

There were extraordinary debits of £22,000 (£75,000), comprising £30,000 (£35,000) cost of share issue, partly offset this time by an £8,000 surplus (£40,000 loss) on disposal of retail leases, etc.

BIDS AND DEALS

Hambros Bank back into the Italian market

Hambros Bank has returned to the Italian market after a break following its unhappy collaboration some years ago with the controversial Milan financier, Sig. Michele Sindona.

Hambros Investment Company, the group's Zurich subsidiary, last month bought an 80 per cent stake in Milano Centrale, a property company, for L10bn (£6m). Hambros bought most of the stake as a nominee for other undisclosed investors but it retained a minority for itself. The seller was the Cotonificio Cantoni Textile Company.

Hambros proposes to expand the activities of Milano Centrale into mortgages and other financial activities linked to the property market, according to two Hambros Investment Company representatives at a shareholders meeting of the Milan-based property company.

The two men, Sig. Pietro Antonelli, a director of Hambros Bank, and Sig. Antonio Tesone, have joined the board of Milano Centrale. Sig. Tesone has become the new chairman.

In London, Mr. John Clay, a director of the Hambros group, said that Milano Centrale would not act as a representative of Hambros but there would be co-operation between the two. The Italian company might enter the field of corporate finance.

Milano Centrale is now expected to propose a 1-for-2 rights issue next month at L32,000 per share, raising L6bn to finance the new ventures. The company reported a profit last year of L330m against L226m in 1977. It proposes to pay a dividend of L750 this year against L600 last year.

Hambros announced last week that a 75 per cent owned subsidiary would bid for Collett, Dickinson and Pearce International, the advertising agency.

TANNOY DEAL

Blick Group has acquired control of the Tannoy Group's public address rental contracts in the industrial, sporting and recreational fields.

Blick has paid £220,000 for some 120 major contracts producing annual rental income of £110,000. Blick has also taken over maintenance contracts on some 2,000 systems which are on a non-rental basis.

Although Tannoy's name is synonymous with public address systems the company has been moving away from this area and developing conference equipment, loud speakers and professional hi-fi equipment. The company no longer manufactures public address systems.

INT. TIMBER BUYS AVONMOUTH SITE

INTERNATIONAL TIMBER CORPORATION is buying offices, a sawmill, a building housing roof truss plant, and timber storage sheds from May and Hassell, another major timber company.

The entire purchase represents May and Hassel's premises at Smoke Lane, Avonmouth.

The site leased from Bristol Corporation for a term of 50 years, covers nearly nine acres.

International Timber is making the purchase through its subsidiary Bambergers (Timber and Plywood).

This subsidiary will be moving from its premises in Cumberland Road, Bristol, to the Smoke Lane site became the local authority plans to build houses on the Cumberland Road site.

After this disposal May and Hassell will be concentrating its West Country operations at its Cardiff premises.

GOUGH SALE

Gough Brothers proposes to sell the wholesaling division of Ellis and Co. to two Gough directors for £92,000.

The two directors, Mr. H. C. Ellis and Mr. T. S. M. Cunningham intend to resign as part of the arrangement. Shareholders' approval is being sought at an EGM on May 9.

Since December 8, Gough has sold off various Ellis properties for £127,000, a surplus over book value of £61,000. Gough merged with Ellis at the beginning of 1978.

BOOKER McCONNELL

SPP Group of Reading, a subsidiary of Booker McConnell, has acquired for £1.9m cash the capital of Pelham Lee Holdings, whose main operating subsidiary is Godiva Fire Pumps of Warwick.

In its last financial year to September 30 1978, the PLH group had sales of £3.1m and earned a profit before tax in excess of £420,000. Attributable net tangible assets at the date of acquisition are estimated at £1.5m.

Wm. Baird expands to £9.98m at year end

AN INCREASE in taxable profits from £7.75m to £9.98m in 1978 is reported by William Baird and Co. Turnover advanced from £105.8m to £116.94m.

The directors say both main operating divisions made substantial investments in equipment and production facilities. These will continue through 1979.

The balance sheet is strong and ample resources are available to reinforce internal growth with strategic acquisitions in related industries.

During the first quarter of the current year, the directors say, all operating divisions have been affected by the disturbed labour scene and bad weather. The lost ground is being recovered, but the rate of internal progress is bound to be reduced.

After tax for the year of £3.66m (£2.24m), stated earnings per £1 share are up from 33.5p to 38.4p. The net total dividend is stepped up from 9.3628p to a maximum permitted 10.3651p, with a 5.9431p final.

The tax charge for 1977 benefited from substantial non-recurring prior-year adjustments, the directors explain. SSAP 15 has been applied to both years.

Dividends received in 1978 for the holding in Dawson International were £365,000 gross. Since the year-end, and before the disposal of the Dawson holding, an interim dividend of £575,000 gross has been received.

For Baird Textile Holdings, 1978 was a year of consolidation, and it is now trading satisfactorily.

On the industrial side, Darchem's results over several years reflect impressive growth which will enable it to adapt to radical changes in some of its major markets.

	1978 £000	1977 £000
Turnover	116,941	105,797
Operating profit	11,431	9,163
*Textiles	8,905	7,030
Industrial	2,100	1,716
Services	332	243
Investments	94	174
Central administration	318	295
Interest payable	1,133	1,116
Profit before tax	9,980	7,752
Tax	3,663	2,236
Net profit	6,317	5,517
Outside holders' int.	20	20
Attributable	6,337	5,537
Dividends	1,725	1,633
Extraord. credit	11	113
Retained	2,064	2,356

* Includes Dawson International £4.89m (£3.58m). † After charging £67,000 depreciation on properties revalued in 1978 but not depreciated in 1977. ‡Debit.
1977 results revised to reflect a prior-year adjustment reducing the operating profit of textiles by £172,000 and taxation by £87,000.

William Baird Services' continued expansion in financing international trade and purchasing for clients overseas resulted in its best performance yet. In the first quarter of 1979, order intake was substantially ahead of the same period last year.

● comment

Baird's latest preliminary figures show a healthy improvement on 1977's result but, at the operating level, they contain almost £4.9m from the former 29.7 per cent stake it had in Dawson International. Baird is redeploying the £13.8m cash it got from the sale, a week ago, of the holding but it is unlikely to do so quickly enough to completely replace the contribution from Dawson during this year. In addition, Baird was hit by bleak weather and industrial unrest at the beginning of this year so profit growth from its continuing activities, while likely to be up on 1978, will not fill the profit hole left by the Dawson sale. But, margins in both its textile division and its industrial side continue to strengthen and this trend should be maintained in 1979. Also, an acquisition already completed plus a second in an advanced state of negotiation will help the current year's result. The shares, down 5p to 200p, have a stated p/e of 5.1 and a yield of 8 per cent.

Slough Estates raising £25m

Industrial property group, Slough Estates, is to raise £24.9m through a rights issue of 8 per cent convertible unsecured loan stock 1991-94 at par. Terms are £1m nominal of new stock for every four ordinary shares, and £1 stock for every £3.20 nominal of the existing 10 per cent convertible unsecured loan stock 1987-90.

The Board, headed by Mr. Nigel Mobbs, intends to raise the dividend payable for 1979 by 30 per cent to 4.91p gross per share, or the equivalent of 3.2733p gross per share assuming the recently announced one-for-two scrip issue is implemented.

Mr. Mobbs stated yesterday that "the group continues actively to seek new opportunities for development in all countries in which it operates and has a programme of investment and development which over the next three years will require some £40m."

"Part of this will be invested in 1979 in building a further 1m sq ft of industrial premises and a net amount of around £7m will be invested in the expansion of the estate at Slough," he continued.

The issue proceeds, which will be used initially to cut short term debts, "will provide an even stronger base for the group's future land and property acquisitions and their subsequent development."

The issue has been underwritten by Charterhouse Japhet and the brokers are Rowe and Pitman, Hurst-Brown and Sheppards and Chase. Dealings in the new stock, nil paid, are expected to begin on April 23.

See Lex

Best-ever £550,000 for N. Hay

DESPITE LOWER second half profits of £232,000 compared with £316,000, Norman Hay finished 1978 with a record taxable surplus of £550,000, against £534,000.

Turnover of this electro-plating engineer rose from £3.54m to £3.94m.

After tax of £286,000 (£277,000), earnings per 10p share are shown to have increased from 6.4p to 6.7p. The net final dividend is lifted from 2p to 2.2p, making 3.7p (3p).

Standard Chartered turns in £122m for nine months

ALTHOUGH depressed in sterling terms by appreciation of the pound, profits before tax of Standard Chartered Bank reached £122.83m for the nine months ended December 31, 1978.

As a result of the change in its accounting date, group results include those of the Chartered Bank for 12 months, the Hodge Group for ten months and of Standard Chartered Bank and most other subsidiaries for 9 months.

On a comparable basis using pro-forma figures for a 12 months period, pre-tax profits rose from a restated £133.4m to £146.3m.

In December, the group reported six months' profits of £67.24m (£62.47m).

Associates' contributions amounted to £11.92m for the nine months period, but these were materially affected by inclusion of results of certain major associates for six months only.

The group has adopted new accounting policies in respect of debt provisions, deferred tax and profits and losses on disposals of securities.

Tax for the period takes £58.55m. After minorities of £8.76m and £0.68m extraordinary debits, attributable profit amounted to £44.33m.

Stated earnings per £1 share were 65.1p (restated 80.5p for 1977-78 year), while a final dividend of 7.7061p net makes the maximum permitted total for the nine months of 16.2061p against 19.5264p in the previous year.

Payments absorb £11.32m leaving retained profit at £33.01m.

Using pro-forma figures, a full year tax charge amounted to £81.81m (restated £69.42m) and there were minorities of £10.82m (£8.32m).

The increased tax charge arises in consequence of a greater proportion of earnings from branches in the East and an amount of £2.2m unprovided in previous years, of which £1m relates to the year ended March 31, 1978.

Increased profits earned in South Africa, together with the decline in the group's interest in the subsidiary there, resulted in a higher proportion of minority profits.

Group properties have been revalued giving rise to a surplus of £93m which has been credited to reserves.

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: S. Casket, Charterhouse Group, Coronation Syndicate, J. Crean, East Rand Gold and Uranium, Forward Technology, Free State Geduld Mines, William Low, Photo-Me International, President Brand Gold Mining, President Steyn Gold Mining, Welkom Gold Mining.

Finals: Ash and Lacy, Bentalls, Blue Circle Industries, Clive Discount, Dunlop, General Scottish Trust, Hawker Marris, Hunting Petroleum, Leadenhall Sterling, London and Holyrood Trust, London and Provincial Trust, Modern Engineers of Bristol, Myson Group, Northern Engineering Industries, Ready Mixed Concrete, Rio Tinto-Zinc, Scottish Mortgage and Trust, Supra Group, Tweefontein United Collieries, Western Holdings.

FUTURE DATES

Interims—	
British Empire Secs. & General	Apr. 20
Cooper (F.)	Apr. 25
Finals—	
British Northrop	May 7
Canadian & Foreign Inv. Tst.	Apr. 30
Farm Feed	Apr. 24
Foseco Minsep	Apr. 24
Foster (J.)	May 11
Marshall Cavendish	Apr. 20
Sandeman (Geo. G.)	Apr. 24
Securities Trust of Scotland	Apr. 24
Spillers	Apr. 25
Stylo Shoes	Apr. 24

Sun Life raises interim

Sun Life Assurance Society has raised its interim dividend from 1.712p net to 1.9117p and the directors anticipate making a similar payout for the second-half. However they add that they intend to increase dividends substantially as soon as possible.

The directors say the proprietors' share of divisible surplus after the annual valuation at December 31, 1978, of the society's long-term business fund was £2.84m. This includes the share of interim, terminal and vesting bonuses. Previous recent valuations had been carried out every two years, and the 1978 transfer to the proprietors' fund is a 25 per cent increase over the corresponding average figure for the two preceding years of £2.27m. The proportion of distributed surplus allocated to the proprietors remains at 8.4 per cent.

The net income in the consolidated profit and loss account is £3.228m.

Squirrel Horn profit better

Mr. John B. Hardy, chairman of Squirrel Horn, confectionery manufacturer, told the annual meeting that profits of the group so far were rather better than he had expected. This was despite the bad weather and strikes at the beginning of the year.

But 1979 had started less well than 1978, and the group would do extremely well to match last year's record figures of £626,664 surplus on £5.44m turnover.

Present demand was reasonable, he said, and substantial investment was being undertaken.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unem-ployed	Vacs.
1978							
1st qtr.	107.0	102.2	99	106.4	246.4	1,409	188
2nd qtr.	110.8	104.5	95	107.9	254.4	1,367	213
3rd qtr.	111.5	105.1	103	110.7	266.6	1,380	213
4th qtr.	109.7	102.5	113	111.7	273.0	1,340	230
Oct.	108.5	101.7	100	110.2	267.9	1,360	228
Nov.	109.5	103.5	130	110.5	269.7	1,339	231
Dec.	111.2	93.4	110	113.8	279.8	1,321	231
1979							
Jan.	103.0	103.8		109.6	273.1	1,339	236
Feb.	110.4	110.5		110.4	275.4	1,363	231
March				110.5		1,350	236

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1978							
1st qtr.	105.2	98.8	116.3	99.9	96.6	98.0	17.8
2nd qtr.	108.0	98.1	122.4	99.7	107.4	101.2	27.1
3rd qtr.	108.0	99.7	123.2	100.8	101.2	103.8	23.0
4th qtr.	105.3	96.7	123.4	96.4	97.6	101.7	20.2
Oct.	105.0	96.0	121.0	96.0	97.0	100.0	24.5
Nov.	106.0	96.0	123.0	95.0	93.0	104.0	20.7
Dec.	106.0	98.0	126.0	98.0	102.0	101.0	15.5
1979							
Jan.	100.0	91.0	117.0	91.0	77.0	95.0	10.1
Feb.	104.0	101.0	129.0	101.0	101.0	100.0	12.6

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1978							
1st qtr.	119.6	113.8	−590	−361	−620	105.4	20.63
2nd qtr.	122.2	110.0	−173	+135	−414	104.5	16.75
3rd qtr.	124.9	114.4	−365	− 49	−501	105.7	16.55
4th qtr.	125.1	112.8	− 1	+359	−480	106.7	15.77
Nov.	122.6	114.1	−108	+ 12	−162	107.3	15.67
Dec.	126.7	113.0	+ 67	+187	−183	106.8	15.69
1979							
Jan.	113.1	107.3	−119	+ 1	− 60	107.7	16.26
Feb.	Not available due to industrial dispute						16.62
March							17.45

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1978							
1st qtr.	24.3	23.8	17.5	+1,811	1,049	1,373	6½
2nd qtr.	8.5	15.7	24.5	+2,857	694	1,506	10
3rd qtr.	6.8	5.3	8.6	+1,114	746	1,541	10
4th qtr.	9.7	9.7	8.8	+1,487	878	1,576	12½
Nov.	12.1	10.7	9.9	+120	261	561	12½
Dec.	9.7	9.7	8.8	+826	254	507	12½
1979							
Jan.	13.6	16.4	21.2	+897	289	525	12½
Feb.	21.7	16.7	24.2	+1,070	231	531	14
March					257		13

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earn-ings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* cmdty.	Strlg.
1977							
4th qtr.	119.9	142.2	145.8	187.4	193.3	234.2	63.3
1978							
1st qtr.	123.1	140.2	149.2	190.6	197.2	238.61	64.6
2nd qtr.	129.9	146.3	151.8	195.8	203.8	242.22	61.5
3rd qtr.	133.2	144.9	154.8	199.2	206.2	253.74	62.4
4th qtr.	136.4	147.1	157.3	202.6	208.0	257.62	62.7
Nov.	136.1	147.3	157.1	202.5	207.9	263.63	62.3
Dec.	138.0	148.2	158.3	204.2	210.5	257.69	63.2
1979							
Jan.	135.7	150.8	160.0	207.2	217.5	260.63	63.5
Feb.	141.0	152.0	161.7	208.9	218.7	267.36	63.7
March		153.8	162.9	210.6	220.2	268.83	66.1

* Not seasonally adjusted.

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APPOINTMENTS

STC marine and submarine director

Mr. John G. Cottrell has been appointed director, marine and submarine systems of STANDARD TELEPHONES AND CABLES. He is succeeded as general manager of the submarine systems division by Mr. Graham Lawrence, who has been marketing manager of the division for the past eight years. Mr. Cottrell joined STC in 1974 as executive assistant to the managing director and was responsible for establishing company policy in the hydrospace and military fields. Before that he was divisional managing director of the communications and marine division of the Plessey Company.

★

The following are appointed to the main Board of CHUBB ELECTRONICS: Mr. K. M. Banks, director of development; Mr. W. E. Penfold, managing director, Guardall; Mr. R. S. Tyley, managing director of Chubb Alarms; and Mr. J. M. Williams, managing director ICC Machines.

★

Mr. Bernard Feather has been appointed managing director of RECORD RIDGWAY TOOLS. He was manufacturing director.

★

Ransome Hoffman Pollard has appointed the following executives to the Board of RHP BEARINGS: Mr. H. W. Breitenbach, assistant managing director, Mr. E. Godson and Mr. R. L. Whytock.

★

Mr. H. R. Tainsh has retired from the Board of the Burmah Oil Company. He has been with the company for 45 years, the past seven of these as a non-executive director. Mr. G. C. Butcher has been appointed to the Board as a non-executive director. Mr. Butcher joined BP in 1947 and became chairman of the executive committee of BP Trading in 1975. He retired from BP last month to devote himself to other interests.

★

Mr. Keith Lewis, a director of public relations of UNIVERSAL McCANN, has been appointed to the additional position of an associate director of the company. Mr. David Wright is also a director of public relations.

★

Mr. L. Prete has been appointed plant manager at the Wolverhampton factory of the GOODYEAR TYRE AND RUBBER COMPANY. He succeeds Mr. J. F. Floyd, who has become production director.

★

Mr. John Newman has been appointed company secretary and group financial controller of DORADA HOLDINGS.

★

Mr. Michael Knight has been appointed chairman of CHRISTY BROS. and continues as managing director of the group.

Mr. Gordon Tom becomes group finance director and Mr. Jim Green director in charge of group marketing. Mr. N. D. Davidson joins the Board. Barclays Merchant Bank is now merchant banker to the company.

★

Mr. M. Salt has been made managing director of HIGGS AND HILL PROPERTY HOLDINGS in succession to Mr. N. H.

Mr. M. Salt

Dearsley, who has resigned from the group to take up a new position. Mr. Sait, who joins the company from Walker Son and Packman, was for many years with Capital and Counties Property Company. Other Higgs and Hill appointments are: Mr. S. J. Padmore, manager of the European Property Division, to be a director of Higgs and Hill Property Holdings in a non-executive capacity; Mr. M. J. Flanders becomes a director of Higgs and Hill Property Holdings; and Mr. G. F. Meek, a director of Higgs and Hill Civil and Structural Engineering. All the new posts are effective on May 1.

★

The BRITISH NATIONAL OIL CORPORATION has appointed Mr. Iqbal Shoaib as managing director, joint ventures, in place of Mr. John Field, who has retired. Mr. G. Corti has become director, joint ventures, and will be deputy to Mr. Shoaib. A company called BNOC (VENTURES) has been formed and it will be responsible for safeguarding the Corporation's equity investments in offshore activities in all areas of exploration, development and production, except in those licences where the Corporation is the operator or is the sole licensee. Directors of the new concern are Lord Kearton (chairman), Mr. Shoaib (managing director), Mr. R. A. Morton, Mr. J. D. A. Evans and Mr. Corti.

A ventures executive committee, which will act as an information and advisory body for joint venture activities, has been established which, in addition to the chairman and directors of the company, will include the following as members: Mr. A. Matthews, Mr. J. T. C. Hay, Mr. R. I. Walker, Mr. J. L. Hopkinson, Dr. A. Challinor and Mr A. Baker. Additionally, the joint ventures group will be responsible for negotiating the sixth round agreements and the negotiating team, headed by Mr. Corti, will be drawn from Ventures staff, with specialist assistance from other corporation staff as appropriate.

Mr. Michael Golts, group financial director of MANN EGERTON AND CO., has relinquished his position as company secretary and has been succeeded in that post by Mr. Brian Back. Mr. Paul Jarvis, group chief accountant, has handed over day-to-day management of the motor division accounts department to Mr. Jeremy Shaw, who is now chief acountant (motor division).

★

Mr. Motohisa Miyake has been appointed president of SANSUI AUDIO EUROPE NV. New vice-president and managing director is Mr. Ken Hoshino. Mr. Shuichi Terada has become treasurer of Sansui Electronics Corporation, New Jersey, U.S.

★

Mr. Clive Boucher, financial director of THORN LIGHTING since 1975, has been appointed director, European activities but will retain involvement with the company's overall financial policies. Mr. Willoughby Percival takes over as financial director from Mr. Boucher and Mr. Godfrey Jacobs has become personnel director.

★

Mr. L. C. V. Walker, director of trade relations Shell (UK), and Mr. D. R. Peters, chief executive, engineering division, BOC, have been elected chairman and vice-chairman of the LONDON ENTERPRISE AGENCY. The Agency has been set up by a group of major companies to assist small firms and inner cities. Mr. B. S. Wright, head of the economic department of the London Chamber of Commerce and Industry, has been appointed the director of the Agency.

★

Mr. Harry N. Hughes, managing director of STONE AND WEBSTER ENGINEERING, in London, is to take up a new appointment as vice-president, international marketing, with Stone and Webster Engineering Corporation, U.S. He will be succeeded as managing director in London on May 1, by Mr. Maurice G. Cataford, a vice-president of the U.S. concern.

★

Mr. W. A. Lakey has been appointed vice-president — Europe, Africa and Middle East operations, for the international division of DRESSER INDUSTRIES. He will be based in London.

★

Mr. I. C. Fenwick-Smith will be joining the partnership of ANDERSON AND CO., stockbrokers, on April 23.

NMB

NEDERLANDSCHE MIDDENSTANDSBANK N.V.

Registered Office Amsterdam

announces the issue of

Dfls 150,000,000

8¾% Debentures 1979 due 1985/1989

in bearer denominations of Dfls 1,000 each.

The issue price will be fixed on April 18, 1979.

Interest payable annually on May 15 without deduction of withholding tax.

Redemption at par in 5 almost equal annual instalments from May 15, 1985 until 1989.

Application has been made for quotation of the Debentures on the Amsterdam Stock Exchange.

Subscription will be open from April 20, 1979 at 09.00 hrs. and will be closed at 15.00 hrs. on that date.

Date of payment: May 15, 1979.

NEDERLANDSCHE MIDDENSTANDSBANK N.V.

Amsterdam, April 12, 1979.

7080-5823

Union Corporation Group

Directors' Reports of Gold Mining Companies for the quarter ended 31st March, 1979.

LESLIE GOLD MINES LIMITED

Issued Capital R10,400,000 in shares of 65 cents each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978	Six months ended 31st Mar. 1979
Ore Milled (t)	255,000	255,000	510,000
Gold produced—kg.	1,071	1,071	2,142
Yield—(g/t)	4·2	4·2	4·2
Revenue per ton milled	R27·87	R25·28	R26·57
Cost per ton milled	R18·01	R17·77	R17·89
Profit per ton milled	R9·86	R7·51	R8·68
Working revenue	R7,106,000	R6,446,000	R13,552,000
Working costs	R4,593,000	R4,532,000	R9,125,000
Working profit	R2,513,000	R1,914,000	R4,427,000
Net sundry revenue	R70,000	R104,000	R174,000
PROFIT before taxation and lease consideration	R2,583,000	R2,018,000	R4,601,000
Taxation and lease consideration	R1,435,000	R1,081,000*	R2,516,000
PROFIT after taxation and lease consideration	R1,148,000	R937,000	R2,085,000
*Includes mining tax at formula applicable to State assisted mines.			
Capital recoupment	—	R17,000	R17,000
Dividend declared	R2,240,000	—	R2,240,000
Loan levy (recoverable)	R112,000	R84,000	R196,000
DEVELOPMENT:			
Advanced (m)	877	975	1,852
Sampling results:			
Sampled (m)	270	504	774
Channel width (cm)	17	22	20
Av. value: g/t	19·9	17·5	18·5
cm.g/t	339	386	369

Dividend
On 9th March, 1979, Dividend No. 29 of 14 cents per share was declared to members registered at 30th March, 1979. Dividend warrants will be posted on or about 10th May, 1979.

Capital Expenditure
Amount approved by Board R124,000

WINKELHAAK MINES LIMITED

Issued Capital R12,180,000 in shares of R1 each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978	Six months ended 31st Mar. 1979
Ore Milled (t)	525,000	525,000	1,050,000
Gold produced—kg.	3,780	3,938	7,718
Yield—(g/t)	7·2	7·5	7·4
Revenue per ton milled	R47·72	R45·17	R46·45
Cost per ton milled	R16·49	R15·99	R16·25
Profit per ton milled	R31·23	R29·18	R30·20
Working revenue	R25,053,000	R23,716,000	R48,769,000
Working costs	R8,660,000	R8,395,000	R17,055,000
Working profit	R16,393,000	R15,321,000	R31,714,000
Net sundry revenue	R525,000	R563,000	R1,088,000
PROFIT before taxation and lease consideration	R16,918,000	R15,884,000	R32,802,000
Taxation and lease consideration	R10,456,000	R9,732,000	R20,188,000
PROFIT after taxation and lease consideration	R6,462,000	R6,152,000	R12,614,000
Capital expenditure	R20,000	R75,000	R95,000
Dividend declared	R9,744,000	—	R9,744,000
Loan levy (recoverable)	R779,000	R727,000	R1,506,000
DEVELOPMENT:			
Advanced (m)	2,963	3,230	6,193
Sampling results:			
Sampled (m)	890	702	1,592
Channel width (cm)	60	50	55
Av. value: g/t	21·8	21·7	22·0
cm.g/t	1,307	1,084	1,209

Dividend
On 9th March, 1979, Dividend No. 38 of 80 cents per share was declared to members registered at 30th March, 1979. Dividend warrants will be posted on or about 10th May, 1979.

Capital Expenditure
Commitments in respect of contracts placed R84,000
Amounts approved in addition to commitments R69,000

BRACKEN MINES LIMITED

Issued Capital R12,600,000 in shares of 90 cents each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978	Six months ended 31st Mar. 1979
Ore Milled (t)	195,000	195,000	390,000
Gold produced—kg.	1,248	1,248	2,496
Yield—(g/t)	6·4	6·4	6·4
Revenue per ton milled	R42·55	R38·56	R40·55
Cost per ton milled	R18·45	R18·44	R18·44
Profit per ton milled	R24·10	R20·12	R22·11
Working revenue	R8,297,000	R7,519,000	R15,816,000
Working costs	R3,598,000	R3,595,000	R7,193,000
Working profit	R4,699,000	R3,924,000	R8,623,000
Net sundry revenue	R111,000	R202,000	R313,000
PROFIT before taxation and lease consideration	R4,810,000	R4,126,000	R8,936,000
Taxation and lease consideration	R2,976,000	R2,466,000	R5,442,000
PROFIT after taxation and lease consideration	R1,834,000	R1,660,000	R3,494,000
Dividend declared	R3,360,000	—	R3,360,000
Loan levy (recoverable)	R223,000	R184,000	R407,000
DEVELOPMENT:			
Advanced (m)	597	330	927
Sampling results:			
Sampled (m)	150	87	237
Channel width (cm)	36	14	28
Av. value: g/t	25·6	25·6	25·6
cm.g/t	921	352	716

Dividend
On 9th March, 1979, Dividend No. 33 of 24 cents per share was declared to members registered at 30th March, 1979. Dividend warrants will be posted on or about 10th May, 1979.

Capital Expenditure
Amount approved by Board R81,000

THE GROOTVLEI PROPRIETARY MINES LIMITED

Issued Capital R2,859,704 stock in units of 25 cents each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978
Ore Milled (t)	390,000	390,000
Gold produced—kg.	1,560	1,560
Yield—(g/t)	4·0	4·0
Revenue per ton milled	R26·59	R24·47
Cost per ton milled	R15·72	R14·85
Profit per ton milled	R10·87	R9·62
Working revenue	R10,371,000	R9,543,000
Working costs	R6,131,000	R5,790,000
Working profit	R4,240,000	R3,753,000
Net sundry revenue	R47,000	R1,000
PROFIT before taxation	R4,287,000	R3,754,000
Taxation	R2,226,000	R1,874,000
PROFIT after taxation	R2,061,000	R1,780,000
Capital recoupment	R1,000	R9,000
Dividend declared	—	R2,517,000
Loan levy (recoverable)	R212,000	R276,000
DEVELOPMENT (Kimberley Reef):		
Advanced (m)	918	700
Sampling results:		
Sampled (m)	623	498
Channel width (cm)	33	23
Av. value: g/t	23·9	33·1
cm.g/t	789	761

Dividend
Dividend of 22 cents per unit of stock was paid on 16th February, 1979.

Capital Expenditure
Amount approved by Board R118,000

MARIEVALE CONSOLIDATED MINES LIMITED

Issued Capital R1,125,000 in shares of 25 cents each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978
Ore Milled (t)	240,000	240,000
Gold produced—kg.	480	624
Yield—(g/t)	2·0	2·6
Revenue per ton milled	R13·33	R17·11
Cost per ton milled	R7·71	R7·71
Profit per ton milled	R5·62	R9·40
Working revenue	R3,198,000	R4,108,000
Working costs	R1,849,000	R1,850,000
Working profit	R1,349,000	R2,256,000
Net sundry revenue	R50,000	R69,000
PROFIT before taxation	R1,399,000	R2,325,000
Taxation	R764,000	R1,517,000
PROFIT after taxation	R635,000	808,000
Capital recoupments	R9,000	R484,000
Dividend declared	—	R1,710,000
Loan levy (recoverable)	R73,000	R178,000

Dividend
Dividend of 38 cents per share was paid on 16th February, 1979.

UNISEL GOLD MINES LIMITED

Stated Capital 28,000,000 shares of no par value

STATION CUTTING AND DEVELOPMENT
Development operations continued on all levels from No. 4 to 10.
The cross-cut on 10 Level, which is being developed to effect a second outlet with the workings of No. 4 Shaft, President Steyn advanced 455 metres during the quarter.

Station cutting	
Advanced (m)	637
Development	
Advanced (m)	3,612
Sampling results:	
Samples (m)	239
Channel width (cm)	106
Av. value: g/t	14·3
cm.g/t	1,513

Stoping
Two reef raises were completed during the quarter and trial stoping commenced in mid March. The ore produced was treated at the St. Helena Reduction Plant and yielded gold to the value of R182,000.

Strike
During the illegal strike by members of the Mine Workers Union from 6th to 13th March, 1979, 49 men out of a total of 57 participated. Due to extra special efforts by other employees, the development meterage advanced was only some 8% below target.

Capital Expenditure
Expenditure for the period under review on shaft, plant and equipment and general expenditure amounted to R6,260,000 (to date R61,286,000).
Commitments in respect of contracts placed R283,000
Amounts approved in addition to commitments R10,864,000

All the above companies are Incorporated in the Republic of South Africa.

The quarterly reports have been approved and signed on behalf of the respective companies by two directors. Copies are available from:

London Secretaries:
Princes House, 95 Gresham Street, London EC2V 7BS.
18th April, 1979.

KINROSS MINES LIMITED

Issued Capital R18,000,000 stock in units of R1 each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978	Six months ended 31st Mar. 1979
Ore milled (t)	395,000	395,000	790,000
Gold produced—kg.	2,567	2,686	5,253
Yield—(g/t)	6·5	6·8	6·6
Revenue per ton milled	R43·01	R40·39	R41·70
Cost per ton milled	R20·10	R19·43	R19·76
Profit per ton milled	R22·91	R20·96	R21·94
Working revenue	R16,990,000	R15,955,000	R32,945,000
Working costs	R7,939,000	R7,674,000	R15,613,000
Working profit	R9,051,000	R8,281,000	R17,332,000
Net sundry revenue	R233,000	R236,000	R469,000
PROFIT before taxation and lease consideration	R9,284,000	R8,517,000	R17,801,000
Taxation and lease consideration	R5,437,000	R4,845,000	R10,282,000
PROFIT after taxation and lease consideration	R3,847,000	R3,672,000	R7,519,000
Capital expenditure	R293,000	R364,000	R657,000
Dividend declared	R5,760,000	—	R5,760,000
Loan levy (recoverable)	R423,000	R378,000	R801,000
DEVELOPMENT:			
Advanced (m)	2,300	2,814	5,114
Sampling results:			
Sampled (m)	563	795	1,358
Channel width (cm)	73	43	56
Av. value: g/t	9·0	21·0	14·3
cm.g/t	658	903	801

Dividend
On 9th March, 1979, Dividend No. 22 of 32 cents per unit of stock was declared to members registered at 30th March, 1979. Dividend warrants will be posted on or about 10th May, 1979.

Capital Expenditure
Commitments in respect of contracts placed R92,000
Amounts approved in addition to commitments R1,326,000

ST. HELENA GOLD MINES LIMITED

Issued Capital R9,625,000 in shares of R1 each.

OPERATING RESULTS:	Quarter ended 31st Mar. 1979	Quarter ended 31st Dec. 1978	Six months ended 31st Mar. 1979
Ore milled (t)	480,000	480,000	960,000
Gold produced—kg.	4,320	4,320	8,640
Yield—(g/t)	9·0	9·0	9·0
Revenue per ton milled	R60·46	R54·26	R57·36
Cost per ton milled	R23·03	R22·35	R22·69
Profit per ton milled	R37·43	R31·91	R34·67
Working revenue	R29,019,000	R26,047,000	R55,066,000
Working costs	R11,054,000	R10,729,000	R21,783,000
Working profit	R17,965,000	R15,318,000	R33,283,000
Net sundry revenue	R294,000	R474,000	R768,000
PROFIT before taxation and lease consideration	R18,259,000	R15,792,000	R34,051,000
Taxation and lease consideration	R10,264,000	R9,340,000	R19,604,000
PROFIT after taxation and lease consideration	R7,995,000	R6,452,000	R14,447,000
Capital expenditure	R429,000	R345,000	R774,000
Dividend declared	R12,031,000	—	R12,031,000
Loan levy (recoverable)	R830,000	R757,000	R1,587,000
DEVELOPMENT (Basal Reef):			
Advanced (m)	1,682	1,833	3,515
Sampling results:			
Sampled (m)	158	408	566
Channel width (cm)	97	96	96
Av. value: g/t	8·1	13·0	11·7
cm.g/t	786	1,249	1,120

Dividend
On 9th March, 1979, Dividend No. 47 of 125 cents per share was declared to members registered at 30th March, 1979. Dividend warrants will be posted on or about 10th May, 1979.

Strike
During the illegal strike by members of the Mine Workers Union from 6th to 13th March, 1979, 112 men out of a total of 167 participated. Due to extra special efforts by other employees, production was not affected.

Capital Expenditure
Commitments in respect of contracts placed R430,000
Amounts approved in addition to commitments R1,072,000

BEISA MINES LIMITED

Issued Share Capital R100 in shares of R1 each.

Loan Capital advanced to date R51,470,000.

Shafts
At the end of the quarter, No. 1 Ventilation Shaft had reached a depth of 412 metres.
At No. 1 Shaft pre-grouting of the shaft area has been completed and the Shaft has been sunk to its preliminary depth of 60 metres. The headgear has been erected and construction work on the sinking stage, hoists and compressors is progressing as planned.

General
The construction of the Shaft offices, change houses, store yard, store building and the hostel for black labourers at the main site as well as housing in Welkom for white employees is on schedule.

Capital Expenditure
Expenditure to date on property, shafts, plant and equipment and general expenditure has amounted to R18,081,000.
Commitments in respect of contracts placed R32,015,000
Amounts approved in addition to commitments R136,836,000

Standard Chartered BANK LIMITED

The Directors announce the results of Standard Chartered Bank Limited as follows:

	Results for the 9-month accounting period ended 31st December 1978	Pro forma figures for a 12-month period ended 31st December 1978	Results for the accounting year ended 31st March 1978 Restated
	£000	£000	£000
Trading Profits			
Bank and Subsidiaries	110,709	127,651	114,003
Share of Associates	11,917	18,653	19,396
	122,626	146,304	133,399
Taxation	68,848	81,811	69,418
	53,778	64,493	63,981
Minority Interests	8,764	10,821	8,319
	45,014	53,672	55,662
Extraordinary Items	680		1,641
Net profit attributable to Standard Chartered Bank Ltd.	44,334		54,021
Dividends	11,322		13,483
Profit retained	33,012		40,538
Earnings per share	65.1p		80.5p

ACCOUNTING CHANGES

The Group has adopted new accounting policies in respect of debt provisions, deferred taxation and profits and losses on disposals of securities. Comparative figures in the above statement have been restated where applicable.

Due to a change in the Bank's accounting reference date the results for the nine months to 31st December 1978 include those of parts of the Group for differing periods of time, ranging from one year to six months. It follows that direct comparison of the results with those of the previous accounting period is not possible and in these circumstances additional pro forma figures for a twelve-month period ended 31st December 1978 are given for information. Although affected by the appreciation of the pound, trading profits show a satisfactory improvement. Net earnings have also been affected by an increase in taxation, due in part to additional charges in respect of prior years.

DIVIDEND

The Directors will recommend at the Annual General Meeting, on 7th June 1979, a final dividend of 7.7061 pence per share, equivalent to 11.5016 pence per share gross. The total distribution for the nine months to 31st December 1978 will be 16.2061 pence per share, equivalent to 24.1882 pence per share gross, the maximum permitted under counter-inflation regulations.

L. R. BISHOP
Secretary

The war that never ends

We British are a peaceful people. When a war is over we like to consign it to the history books—and forget it.

But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children—for them their war lives on, every day and all day.

In many cases, of course, there is help from a pension. But there is a limit to what any Government Department can do.

This is where Army Benevolence steps in. With understanding. With a sense of urgency . . . and with practical, financial help.

To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

The Army Benevolent Fund

for soldiers, ex-soldiers and their families in distress

Dept. FT, Duke of York's HQ, London SW3 4SP

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Chrysler sees first-quarter loss

BY JOHN WYLES IN NEW YORK

CHRYSLER CORPORATION is expected shortly to report a first quarter loss because of its failure to meet sales targets, despite generous price-cutting and dealer incentive campaigns.

In February, Chrysler executives had raised hopes of a profitable first quarter, based on achieving sales targets which they believed reasonable. However, passenger car sales were only marginally higher than in the same period last year—264,413 versus 264,268.

Losses in the first quarter will not help the company's enormous financing problems, which have been further complicated by Moody's Investors Service reducing its ratings on debt issues by Chrysler and its subsidiary, Chrysler Financial Corporation.

Pointing to the company's $204.6m loss last year and its uncertain prospects, Moody's reduced to Ba from Baa its rating on debentures due in 1995 and 1998. At the same time, Chrysler Financial's commercial paper rating was reduced from Prime 2 to Prime 3.

The new bond rating is below the "investment grade" required by many institutions for their portfolios, while the commercial paper rating is the lowest at which this form of short term debt can be sold. The overall impact of Moody's revisions remains to be seen, but if Chrysler goes ahead with a new bond issue which has been under discussion, it will certainly have to pay more for its money, as it will for funds generated by the sale of its commercial paper.

Mr. John J. Riccardo, Chrysler's chairman, claimed recently that the company was on target for its financing needs, which stem from a $7.5bn five-year capital expenditure programme. The company and Chrysler Financial raised $1.9bn of capital last year, including the proceeds from the sale of the European car business to Peugeot-Citroen.

A further $100m has been pulled in from the disposal of all or part of a number of Latin American subsidiaries. Early this week the burden of the company's loss-making Australian subsidiary was lifted slightly by the sale of a one-third interest to the Mitsubishi Group of Japan for $30.2m. Proceeds from this sale will provide additional working capital for the Australian company.

The withdrawal from overseas enables Chrysler to concentrate on its most important priority—survival in the U.S. A further attack on its marketing problem has been launched this month with a limited offer of a free five-year or 50,000 miles mechanical insurance programme. A comparable warranty has not been on offer by a U.S. car company for several years, and Chrysler's move has raised fears of a "warranty war" if General Motors and Ford find it eating into their sales.

Brascan to pursue Woolworth takeover

By Our New York Staff

BRASCAN of Toronto yesterday reaffirmed its determination to press ahead as soon as possible with its $1.125bn bid for the giant multinational retailer F. W. Woolworth.

The Canadian holding company was reacting to Woolworth's announcement on Tuesday that it was discussing the possible acquisition of Revco DS, a large discount drug store chain with a current stock market value of close to $390m.

Brascan's offer document had reserved the right to withdraw the bid if there was a material change in Woolworth's business, including a merger or acquisition. Clearly, Brascan yesterday wanted to appear undeterred, and in effect it challenged Woolworth to press ahead with the Revco proposal, which as yet has not yielded any formal agreement.

The earliest that Brascan can launch its $35 a share tender offer is April 30. But it might be delayed if the New York State Attorney-General agrees to Woolworth's request for hearings on the adequacy of Brascan's disclosures and whether they satisfy the individual states' takeover laws. A decision by the Attorney General is due by this Friday.

Sharp upturn in earnings at Republic Steel

NEW YORK — Net earnings of Republic Steel Corporation amounted to $41.78m, equal to $2.58 a share, in the first quarter of 1979, compared with $9.77m or 60 cents a share in the corresponding period last year. Sales totalled $1.03bn, against $831.2m previously.

Any comparison between the latest results and last year's first quarter, however, is distorted by the severe weather, electric power cuts and the coal strike which hit Republic's performance in 1978.

AP-DJ

Thomson succeeds with Bay bid

BY ROBERT GIBBENS IN MONTREAL

THE THOMSON family has had an overwhelming response to its offer of C$37 a share for 75 per cent of the 23m shares of the Hudson's Bay Company.

The two Thomson private companies based in Toronto, through which the bid was made, announced yesterday that 89 per cent of the outstanding Bay shares were deposited under the offer.

Because the bid is for a maximum of 75 per cent of the Bay shares, the Thomson companies will take up a total of 17.3m Bay shares on a pro rata basis and they will be paid for on May 1 next.

The bid, made by Woodbridge Company and Thomson Equitable (International) Ltd., expired in all financial centres on Tuesday evening. On Monday, the George Weston food processing and distribution giant finally bowed out, saying it would look for further acquisitions but not of the size of the Bay.

It is expected that under the Thomson family control, the present Bay management headed by the president Mr. Don McGiverin will continue to direct the Bay and its recent acquisitions, Zeller's and Simpsons Ltd.

The Federal Government had indicated that it might seek an injunction to halt any takeover of the Bay on the ground that it might be against the public interest, but no actual move in the courts has yet been in evidence.

Strong first quarter at Philip Morris

By Our New York Staff

PHILIP MORRIS, the second largest U.S. tobacco producer with substantial brewing and soft drink interests, reports a 25.6 per cent increase in first quarter net income.

Seven Up, the soft drinks company purchased by Philip Morris for $517m last year, did not feature in the company's 1978 first quarter figures. Its impact is reflected in a 36.6 per cent increase in sales from $1.39bn to $1.9bn.

Nabisco set for record year

BY OUR FINANCIAL STAFF

RECORD sales and earnings for this year are forecast by Nabisco, the world's biggest biscuit company, following an upturn in the first quarter of 1979.

Net earnings in the opening three months have moved up by 8 per cent to $22.5m with a broadly similar movement showing at the per share level, where net profits moved up from 65 cents to 70 cents.

In 1978, Nabisco's per share earnings declined modestly on a sales rise of 8 per cent, mostly because of the absence of non-recurring gains, which in 1977 amounted to 36 cents a share or close on an eighth of that year's total earnings.

In 1978 the company's domestic food operations accounted for 64 per cent of total sales and 77 per cent of earnings. The international food division chipped in 26 per cent of sales and 15 per cent of earnings, while the non-food operations accounted for 10 per cent and 8 per cent respectively of turnover and profits.

Nearly 30 per cent of Nabisco's sales last year arose outside the U.S., notably in Europe, which accounted for 17 per cent of the total, and Canada where sales represent 6 per cent of overall turnover.

Domtar gain

Mr. Alex D. Hamilton, president and chief executive of Domtar, said in Montreal that earnings per share for the first quarter of 1979 were $1.48 a share compared with 58 cents a year earlier, Reuter reports. Full profit figures will be released in about two weeks.

Dow Chemical results soar

By Our Financial Staff

DOW CHEMICAL boosted its profits sharply during the first quarter of 1979, but warned that the high percentage rise in sales would probably not carry on through the year.

This was because a certain amount of the demand for the company's product was for the rebuilding of stocks. Total sales moved ahead by just over 24 per cent to $2.08bn, while earnings put on 26 per cent to reach $176.5m, or 97 cents a share against 71 cents.

Dow said that these figures reflected greater demand in most world markets, "triggered in part by the oil crisis and threat of shortages." The first three months' sales for last year were also held down by winter transportation difficulties.

In Europe, the group's quarterly sales showed a 31 per cent gain, largely as a result of price increases made necessary by higher costs of raw materials, particularly naphtha.

At the more specialised end of the industry, Stauffer Chemicals lifted its first quarter net income by 16.5 per cent to $61.3m.

Mr. H. Barclay Morley, the chairman and president, said that 1979 should prove to be another year of overall earnings growth.

Stauffer's quarterly earnings benefited from the newly acquired seeds business, though higher interest charges and plastics losses had an impact.

TXIA seeks list of holders

HOUSTON — Texas International Airlines (TXIA) has asked National Airlines for a list of its stockholders, and requested that its proposed merger offer be included in National's annual meeting proxy materials.

It also asked to be included in the bidding procedure for National on the same basis as Eastern Air Lines.

National shareholders are to vote on a merger at the annual meeting on May 16.

TXIA said National's mailing to stockholders over the weekend of proxy materials recommending a Pan American World Airways merger and ignoring TXIA, violates National's responsibility to its stockholders.

Reuter

ACQUISITIONS BY UK BANKS

Lessons on public disclosure

BY STEWART FLEMING IN NEW YORK

THE WAVE of foreign banking acquisitions in the United States have inevitably prompted questions about whether or not the purchasers are getting value for money. With National Westminster Bank, for example, paying 23 times 1978 earnings for National Bank of North America at a time when the 30 largest U.S. banks can be bought at somewhere between five and six times 1978 earnings, the critics who say that the foreign banks are following a fashion not a strategy can muster some persuasive, but not conclusive, arguments.

Whether their scepticism is correct or not will remain an open question for several years unless some of the acquisitions hit unexpected problems. But at least shareholders in corporations such as Natwest, Hongkong and Shanghai Banking Corporation and Standard Chartered Group, will find it hard to argue that they did not know what their directors were letting them in for.

Indeed, even a long-term shareholder in, say, National Westminster Bank, can learn more about the internal operations of the company—National Bank of North America—which NatWest has just acquired, in one hour spent studying its annual report, than he already knows about the bank of which he has been a shareholder for several years.

He might, for example, want to know how the bank is coping with the rising cost of doing business in an inflationary era. Profitability, of course, is one guide to this and the British clearing bank provides information on this key measure. But American banks also provide breakdowns of their operating expenses as distinct from the interest they pay for funds. The British bank provides no such breakdown.

What about the type of business the banks are doing? Well, tion, mortgage loans and real estate investment trusts for example and how much money was lent to each—and what the loss in the real estate sector was. NatWest's shareholders have to content themselves with a vague reference to a statement that the bank has reduced its longstanding facilities to the property market if they want to know what their bank has been

> One way shareholders, particularly of UK banks, could benefit from the flurry of buying into the American banking scene is by the new owners following the U.S. custom of making much more information available about their own internal operations

National Westminster now provides a percentage breakdown of its earnings so that the shareholder at least knows that about 28 per cent of NatWest's net income came from "international" business last year.

But whether this international business is in Timbuktu or China is a mystery. NBNA breaks down its assets and gross revenue by geographical area—Latin America, U.S. and Canada, Europe, Asia, Pacific and Mideast and Africa.

It provides, too, a breakdown of its lending business so that the public and its customers knew what its commitment to the real estate market was in 1978, which segments of the real estate market—construc-

doing in this market.

What about the profitability of the various lending activities? National Bank of North America earned 12.30 per cent on its $209m of personal loans last year and 9.39 per cent on its average of $644m international loans.

On the liability side, demand and savings and time deposits accounted for $1.9bn of its total deposits of $3.2bn. The bank also explains that it has been undertaking a change of liability management policy aimed at smoothing its earnings pattern by increasing the proportion of fixed rate loans and variable rate liabilities.

NBNA also discloses the average rate of interest it has had to pay for each category of deposit.

Natwest gives no breakdown of the liability side of its balance-sheet beyond a crude total for current, deposit and other accounts.

One could go on. Suffice it to say that the data which National Bank of North America reveals is by no means as exhaustive as that provided by some of the major international banks in the U.S. Citicorp and its principal competitors, for example, disclose their foreign exchange earnings—$105m last year for Citicorp after deducting $67.7m of translation losses, out of total net income of $482m.

Nowhere else in the world are the pressures for public disclosure greater than in the U.S. The British clearing bankers can retort that they are increasing the flow of information they provide to their shareholders and that they already give more than many of their rivals, the Swiss for example. Some argue that the danger in fuller disclosure is that it makes an institution more vulnerable in a crisis.

On the other hand, fuller disclosure at least allows shareholders to be more than passive observers, and ensures that management finds it harder to escape the responsibility for decisions it takes.

It is against managers subject to these competitive pressures that foreign banks moving into the U.S. and expanding their international operations are competing.

INTERNATIONAL CAPITAL MARKETS

DM100m ten-year issue for Council of Europe

BY FRANCIS GHILES

A DM100m ten-year issue was launched for the Council of Europe yesterday by BHF Bank. The indicated coupon is 7¼ per cent and the average life of the bonds is seven years.

This borrower is having to pay more than the European Steel and Coal Community did earlier this month but then the Council of Europe is not considered such a good credit. With the secondary market continuing rather dull, pitching the terms of new issues right is crucial.

The cool reception afforded to the DM100m offering for Barclays Bank is attributed to the fact that the indicated coupon of 6¾ per cent for ten years is too tight. Had it been set at 7 per cent, German bankers agree that the issue would have been a great success. The fine quality of the borrower is not questioned.

The next Deutsche-mark denominated issue is expected for an Argentine borrower through Deutsche Bank at the end of this week.

In the dollar sector, the price of many issues was marked up by an eighth to a quarter of a point following the meeting of the Open Market Committee in Washington on Tuesday which suggested that the Federal Reserve would not bring any immediate pressure with the view of increasing U.S. interest rates.

The $40m 14-year issue for Itel was priced at 99 with other indicated conditions—10½ per cent—otherwise unchanged. The 10 year $75m issue for ITT Antilles was priced at par with indicated conditions—a coupon of 9¼ per cent—otherwise unchanged. The $50m issue for Nova Scotia was expected to be priced at 99½ with indicated conditions—a coupon of 9¼ per cent—otherwise unchanged.

In the Floating Rate Note sector, Israel's Bank Hapoalim will offer $50m of five year notes through a group of banks led by N. M. Rothschild. The interest rate being paid by the borrower will be ¼ per cent over the six month Libor rate and the minimum coupon will be fixed tonight. It is expected to be slightly below 6 per cent. The six banks in the management group have underwritten this issue.

Elsewhere in this sector the prices of seasoned FRN bonds have been very quiet despite the uncertain outlook on the interest rate front.

Occidental Petroleum is expected to be the next borrower in the Kuwaiti Dinar market. Kuwait International Investment Company is expected to arrange a KD7m eight year issue with an indicated coupon of 8¼ per cent. This is the first time a U.S. corporate name will be tapping this sector.

Philips, the Dutch electronics giant, is understood to have arranged a SwFr 100m five-year private placement with a coupon of 3¾ per cent and a pricing at par. The same borrower is in the process of arranging a LuxFr 500m ten-year domestic bond with an indicated coupon of 8 per cent and a pricing at par through Banque Internationale à Luxembourg.

In the Luxembourg Franc eurobond sector, the Finnish borrower TVO has arranged a LuxFr 250m seven-year issue. Final terms include a coupon of 8¼ per cent and a pricing at par. Lead manager is Kredietbank Luxembourgeoise.

Two leading banks issue FRNs

BY STEWART FLEMING IN NEW YORK

TWO MORE leading U.S. banks yesterday announced plans to raise new debt capital through the issue of floating rate notes, a form of financing which is growing in popularity in the New York bond market.

Chase Manhattan Bank, the second largest New York bank, and Republic of Texas Corporation disclosed plans to issue $300m and $75m respectively of the notes. In recent weeks, other major banks including Continental Illinois, Chemical Bank, Charter New York and Citicorp have either sold or announced plans to sell similar issues.

Although floating rate note issues have been common in the Eurobond market, it was not until the middle of last year, when Citicorp sold $200m of notes through a syndicate headed by First Boston, that the U.S. bond markets began to see such issues.

For the banks, the floating rate note allows them to raise debt without committing themselves to pay a fixed, and currently historically high rate of interest for a long period, which would be the case with a debenture issue, for example. The length of the borrowing, however, improves the maturity profile of the banks liabilities when compared with the alternative of raising wholesale funds in the money markets.

Investors, on the other hand, get current high yields linked to short term interest rates, an attractive home for the numerous institutions which are flush with cash and protection against a decline in capital values if interest rates move higher.

The Chase Bank said it has filed with the SEC for a proposed public offering of $300m of notes due 2009, but with a conversion option for the holder into 8¾ per cent sinking fund debentures due 2009.

The Republic of Texas issue of notes maturing in 2004 will be offered on quite different terms, with the initial interest rate yet to be determined. There will not be a conversion option, although there will be a mandatory sinking fund beginning May, 1990 retiring 93.3 per cent of the issue at par prior to maturity.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. Closing prices on April 18

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
[illegible]						

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
[illegible]						

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
[illegible]						

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
[illegible]						

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
[illegible]						

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
[illegible]						

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
[illegible]						

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. M=Minimum coupon. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

U.S. QUARTERLIES

ALLIS-CHALMERS		
First quarter	1979 $	1978 $
Revenue	442.2m	401.9m
Net profits	22.3m	18.8m
Net per share	1.75	1.55

AMERICAN AIRLINES		
First quarter	1979 $	1978 $
Revenue	673.3m	596.7m
Net profits	*6.9m	*7.0m
Net per share	*0.34	*0.35
*Loss		

AMERICAN CAN		
First quarter	1979 $	1978 $
Revenue	1.04bn	874.3m
Net profits	22.60m	19.50m
Net per share	1.13	0.98

ARCHER DANIELS MIDLAND		
Third quarter	1979 $	1978 $
Net profits	13.44m	8.95m
Net per share	0.41	0.27
Nine months		
Net profits	41.13m	37.03m
Net per share	1.25	1.13

BANKERS TRUST NEW YORK		
First quarter	1979 $	1978 $
Net profits	26.9m	18.7m
Net per share	2.20	1.44

C. R. BARD		
First quarter	1979 $	1978 $
Revenue	50.5m	46.5m
Net profits	3.21m	2.75m
Net per share	0.53	0.28

CHASE MANHATTAN		
First quarter	1979 $	1978 $
Net profits	73.1m	41.0m
Net per share	2.12	1.20

COMBINED COMMUNICATIONS		
First quarter	1979 $	1978 $
Revenue	68.4m	61.7m
Net profits	5.38m	4.11m
Net per share	0.50	0.40

CONTINENTAL GROUP		
First quarter	1979 $	1978 $
Revenue	1.03bn	921.8m
Net profits	33.28m	20.91m
Net per share	1.03	0.64

CPC INTERNATIONAL		
First quarter	1978 $	1978 $
Revenue	859.5m	739.9m
Net profits	31.88m	25.43m
Net per share	1.34	1.07

CROWN ZELLERBACH		
First quarter	1979 $	1978 $
Revenue	626.0m	593.0m
Net profits	21.4m	20.3m
Net per share	0.84	0.79

ENSERCH CORPORATION		
First quarter	1979 $	1978 $
Revenue	579.3m	496.0m
Net profits	33.89m	34.13m
Net per share	1.07	1.26

EVANS PRODUCTS		
First quarter	1979 $	1978 $
Revenue	271m	219m
Net profits	4.8m	4.4m
Net per share	0.30	0.26

GARDNER-DENVER		
First quarter	1979 $	1978 $
Revenue	171.2m	145.0m
Net profits	12.96m	10.68m
Net per share	0.67	0.55

GENERAL TEL. AND ELECTRONICS		
First quarter	1979 $	1978 $
Revenue	2.25bn	1.93bn
Net profits	150.08m	155.99m
Net per share	1.00	1.08

HILTON HOTELS		
First quarter	1979 $	1978 $
Revenue	127.3m	100.5m
Net profits	19.61m	12.67m
Net per share	0.75	0.50

HONEYWELL		
First quarter	1979 $	1978 $
Revenue	966.8m	788.8m
Net profits	59.6m	35.4m
Net per share	2.75	1.66

LENOX INCORPORATED		
First quarter	1979 $	1978 $
Revenue	38.5m	35.0m
Net profits	1.53m	1.38m
Net per share	0.39	0.35

McGRAW-EDISON		
First quarter	1979 $	1978 $
Revenue	323.43m	285.55m
Net profits	17.10m	16.82m
Net per share	1.04	1.02

McGRAW-HILL		
First quarter	1979 $	1978 $
Revenue	174.1m	153.8m
Net profits	13.25m	10.63m
Net per share	0.53	0.43

NATIONAL GYPSUM		
First quarter	1979 $	1978 $
Revenue	217.4m	182.1m
Net profits	17.6m	9.3m
Net per share	1.07	0.57

PUBLIC SERVICE ELECTRIC		
First quarter	1979 $	1978 $
Revenue	664.7m	602.0m
Net profits	68.06m	56.05m
Net per share	0.88	0.74

REPUBLIC OF TEXAS CORPORATION		
First quarter	1979 $	1978 $
Net profits	17.12m	13.93m
Net per share	0.97	0.79

ROHM AND HAAS		
First quarter	1979 $	1978 $
Revenue	384.4m	300.1m
Net profits	24.49m	13.53m
Net per share	1.90	1.05

SCM CORPORATION		
Third quarter	1979 $	1978 $
Revenue	441.64m	365.79m
Net profits	9.22m	5.10m
Net per share	0.88	0.53
Nine months		
Revenue	1.29bn	1.09bn
Net profits	30.93m	22.37m
Net per share	3.27	2.40

SCOTT PAPER		
First quarter	1979 $	1978 $
Revenue	469.9m	396.5m
Net profits	37.6m	20.5m
Net per share	0.97	0.53

SECURITY PACIFIC		
First quarter	1979 $	1978 $
Net profits	39.02m	29.87m
Net per share	1.43	1.17

TIMKEN		
First quarter	1979 $	1978 $
Revenue	335.5m	257.4m
Net profits	30.53m	16.58m
Net per share	2.77	1.49

UPJOHN		
First quarter	1979 $	1978 $
Revenue	365.83m	315.09m
Net profits	43.48m	32.43m
Net per share	1.46	1.09

VULCAN MATERIALS		
First quarter	1979 $	1978 $
Revenue	152.0m	123.4m
Net profits	6.19m	3.83m
Net per share	0.53	0.33

WEIS MARKETS		
First quarter	1979 $	1978 $
Revenue	148.5m	125.9m
Net profits	7.36m	5.86m
Net per share	1.21	0.97

WELLS FARGO		
First quarter	1979 $	1978 $
Net profits	29.99m	25.41m
Net per share	1.33	1.14

WHEELABRATOR-FRYE		
First quarter	1979 $	1978 $
Revenue	218.4m	173.8m
Net profits	8.61m	6.53m
Net per share	0.88	0.59

WEST GERMAN TYRE INDUSTRY

Battling for market shares

BY GUY HAWTIN IN FRANKFURT

THE LAST few years have run the tread off the West German tyre industry. Profits have fallen heavily as foreign competition has made sharp inroads into the Federal Republic's tyre-maker domestic market.

While a car maintains its machismo, tyres do not. To their owners, Mercedes, BMWs, Porsches—even humble Volkswagens, Opels and Fords—are superb engineering products. But they run just as sweet on foreign tyres as their West German-produced counterparts.

Today every second replacement tyre sold in the Federal Republic is imported. The importers are even taking over a growing proportion of the West German tyremakers prime market—the motor manufacturers themselves.

Against this background it is not surprising that the West German tyremakers have been seeking to develop new business policies. Without exception they have been trying to cut back their reliance on the traditional tyre business.

At Continental Gummi-Werke, which is to acquire the European tyre operations of Uniroyal of the U.S., the impact on earnings of this bleak trading background has been predictable. For seven years in a row the company has passed its dividend. Its competitors, *Phoenix-Gummiwerke and Metzeler* have failed to do any better in real terms.

An attempt was made to rationalise the industry when Conti-Gummi and Phoenix Gummi started merger talks in 1977. A merger had been mooted many times during the previous 15 years but had never reached fruition. However, never had the need for it been so great.

Although the merger talks had all the elements of a shotgun marriage rather than a love match, they again fell through. No doubt cartel problems—Conti-Gummi and Phoenix Gummi are the Federal Republic largest tyre manufacturers—played a role in the failure, but there were also serious divisions between the two managements.

From then on it was a process of attrition and it was scracely surprising that Phoenix, the weaker of the two in the mass tyre industry, decided this year that enough was enough. It announced two months ago that it was withdrawing from mass tyre production to concentrate on technical products and such things as tyres for commercial vehicles—fields where it has considerable expertise.

Phoenix's withdrawal from the market has undoubtedly left a gap to be fought over by both the domestic manufacturers and the importers. Without this gap it seems unlikely that Conti-Gummi would have felt confident enough to buy the Uniroyal operation at any price. The competition in West Germany is coming from low-wage cost countries rather than from producers in the European Economic Community or the United States.

However, Uniroyal's share of the European market was not showing much growth or it would not have sold in the first place. And, while Conti-Gummi, through the Uniroyal purchase, has obtained a far larger European market share, *it is by no means certain that it can develop the Uniroyal European business better than its original owners.*

For Conti-Gummi, the acquisition represents a 180 degree change in policy. During the past few years its management has espoused the view that Conti-Gummi's future lay in cutting back its reliance on tyre-making in favour of stepping up its technical products side.

Although the cash price—as yet unannounced—it will pay for its Uniroyal acquisition may be *attractive, analysts in West Germany* are by no means agreed that the policy decision is right. The tyre market is still vulnerable to foreign competition and, besides, in the 1980s the car market could well be stagnating.

Krupp order books expand sharply

HANOVER — New orders received by the Fried. Krupp GmbH group totalled DM 3.3bn ($1.74bn) in the first quarter of 1979, up by 30 per cent on the same period of last year, according to Herr Helmut Metzger, management Board member in charge of world group development.

Speaking at the Krupp pavilion at the Hanover Fair, Herr Metzger said that orders to the industrial plant sector of the Krupp group amounted to DM 900m in the first quarter. With the exception of Krupp's shipbuilding operations, all sectors of the world group experienced "a positive development" in new orders.

The Krupp Board member noted, however, that the high rate of new orders did not guarantee that Krupp's German plant capacity would be fully utilised.

AP-DJ

Swedish Match improves

BY VICTOR KAYFETZ IN STOCKHOLM

SWEDISH MATCH has broken the downward trend in its ratio of equity to debt and has strengthened its liquidity, but problems on the European chipboard market in the next few years could pull down earnings, Mr. Gunnar Dahlsten, the group's managing director, says in the 1978 annual report. Otherwise, he expected continued improvement in group operating profit, which was SKr 194m ($44m) last year, up by SKr 15m.

Mr. Dahlsten said substantial disposal, including the 1977 sale of Swedish Match's 29 per cent share in the UK company Wilkinson Match to Allegheny Ludlum, had allowed early repayment of Swiss Franc and West German Mark loans. This, along with improved management of working capital had resulted in an unchanged 30 per cent equity-debt ratio.

To reach 35 per cent solvency by 1983 the group needs an average annual return on capital employed of 14 per cent, Mr. Dahlsten wrote last April. But 1978 yield was only 6 per cent, up from 5 per cent the preceding year. Net extraordinary income failed to improve as he predicted last year, but was SKr 90m down on 1977.

But Swedish Match has exceeded Mr. Dahlsten's liquidity target of 10 per cent of sales. Liquidity at year-end 1978 stood at SKr 736m or 14 per cent of group turnover, which was SKr 5.35bn ($1.22bn). This was up from liquidity of 13 per cent of 1977 sales.

Last year Swedish Match disposed on its loss-making home furniture *operations within* the West German subsidiary Kuebel. It combined Kuebel *with building components and* board/eurodoor into the big new Katrinefors division.

Agache reorganises holding structure

BY DAVID WHITE IN PARIS

AGACHE-WILLOT, the group which last year took over the bankrupt textile empire of M. Marcel Boussac, has completed a complete reorganisation of its holding structure which brings all its manufacturing activities under one company.

The company, kept separate from Agache-Willot's large retail interests, will employ 28,000 and have a turnover of about FFr 4.5bn (over $1bn) this year.

Called Boussac-Saint Freres, it is being formed by the merger of the Agache-Willot industrial holding subsidiary, Consortium General Textile (CGT), with Saint Freres, a former jute business controlled by Agache-Willot and used as intermediary in the Boussac takeover.

Shareholders of the two companies approved the merger plans this week. CGT shares are exchanged for Saint Freres shares on a one-for-one basis. At the same time, 31 other industrial companies belonging to the Agache-Willot group are being brought into the merged unit, by means of their shares being exchanged for CGT shares, the majority on a one-for-seven

CGT, which disappears under the reorganisation plan, showed a *FFr 163m loss in its last,* 1977-78 financial year, weighing down the group's results, which after *special provisions for the* CGT side of the business, also finished with a loss, totalling FFr 35m.

The assets of the Boussac group will be integrated into the *new company following* a decision by the Paris Commercial Tribunal earlier this month cutting *short* an *interim* arrangement under which Agache-Willot managed Boussac on the *court's behalf.*

Boussac-Saint Freres will have a registered capital of FFr 270m. *Just under 61 per cent* will be directly owned by the group holding company and another 7 per cent held by one of its department store subsidiaries, Belle Jardiniere.

This leaves just under 32 per cent in public hands. Boussac-Saint Freres iln turn has 9 per cent of Belle Jardiniere.

Besides textiles, it will be active in paper, fashion, engineering and other sectors. The Christian Dior fashion business, the gem of the Boussac empire, will be managed separately as a 100 per cent subsidiary (not to be confused with the perfume business).

Sharp rise in Nixdorf profit

By Our Financial Staff

THE West German computer group Nixdorf more than doubled net earnings in 1978 to DM 33m ($17.4m), up from DM 14m in 1977.

Herr Heinz Nixdorf, managing board chairman, said yesterday at the Hanover industrial fair that new orders in the first quarter of 1979 were up 23 per cent over the same period a year ago. Herr Nixdorf said the flow of new orders in the last few weeks was spectacular.

He predicted a rise in turnover of 20 per cent for 1979, after a 21 per cent increase in 1978 which lifted sales to more than DM 1bn ($526m) for the first time.

Herr Nixdorf said that there had been a significant increase in the *company's* sales in the U.S., which were up from the 1977 figure of DM 90m to DM 165m. Japanese sales totalled DM 60m.

Towards the end of last year, Deutsche Bank, West Germany's largest commercial bank, took a 25 per cent stake in Nixdorf.

● Bayer, the West German chemical company, is proposing to pay an unchanged dividend of DM6 per share for 1978.

LEADERS AND LAGGARDS

The following table shows the percentage changes† which have taken place since December 29, 1978, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines Index.

Stores	+36.52	Capital Goods Group	+19.02
Entertainment and Catering	+34.51	Hire Purchase	+17.50
Food Retailing	+32.66	Wines and Spirits	+17.45
Oils	+32.25	Contracting and Construction	+17.44
Property	+30.20	Investment Trusts	+16.77
Electronics, Radio and TV	+30.10	Tobaccos	+1·
Mining Finance	+29.84	*Other Groups*	+15.26
Insurance (Life)	+29.57	Office Equipment	+15.13
Building Materials	+27.10	Engineering Contractors	+14.52
Breweries	+26.90	Packaging and Paper	+14.27
Newspapers and Publishing	+26.58	*Metal and Metal Forming*	+13.59
Discount Houses	+26.32	Chemicals	+13.40
Merchant Banks	+26.06	Food Manufacturing	+12.50
Overseas Traders	+25.85	Mechanical Engineering	+12.37
Banks	+25.30	Shipping	+ 8.88
Consumer Goods (Non-durable) Group	+24.24	Pharmaceutical Products	+ 7.83
Electricals	+24.23	Motors and Distributors	+ 7.32
Financial Group	+23.13	Household Goods	+ 6.46
All-Share Index	+22.32	Toys and Games	+ 5.87
500 Share Index	+22.30	Insurance Brokers	+ 5.08
Consumer Goods (Durable) Group	+20.84	Textiles	+ 0.67
Industrial Group	+20.46	Gold Mines F.T.	− 8.20
Insurance (Composite)	+20.21		

† Percentage changes based on Tuesday, April 17, 1979 indices.

HK banks put up rates again

BY PHILIP BOWRING IN HONG KONG

INTERESTS RATES in Hong Kong have been raised for the second time in 10 days and the seventh time since November in an effort to shore up the Hong Kong Dollar. The Hong Kong Exchange Banks Association, the rate fixing cartel of leading banks, yesterday announced an increase in deposit rates across the board by 1.5 percentage points. Time deposit rates now range from 7.75 per cent for seven days to 10 per cent for one year. Meanwhile, the Hongkong and Shanghai and Chartered banks best lending rate is raised by a similar amount to a record 13 per cent—exceeding the 12 per cent reached in 1974.

The latest move seems to have come at least partly at the prompting of the Government, which believes that the local currency is seriously oversold but is worried about the inflationary impact of its rapid decline. As from May 1, the Government will have a new weapon to influence the banks' interest rate policies—as it will be able to regulate the liquidity cover required for its own HK$6bn deposits with local banks.

In light, but highly nervous trading the local currency yesterday fluctuated widely on the foreign exchange market. Opening at HK$5.24 to the U.S. dollar, it sank at one point to HK$5.30, before staging a recovery later in the day on rumours of a rescue operation, to close at HK$5.19. The trade-weighted exchange rate index rose from an all-time low of 89.9 on Tuesday to 90.0.

The very high interest rates now prevailing in Hong Kong—which traditionally has a low interest rate structure—should at last cause a significant reduction in increases in bank lending, which has been growing at more than 40 per cent on an annual basis, fuelling the demand which has caused the serious trade deficit, which has in turn resulted in the weakness of the currency. But the money squeeze could have a serious impact on an overcommitted property sector, which had a euphoric year in 1978 on the back of the China boom.

Frasers awaits upturn

BY JIM JONES IN JOHANNESBURG

FRASERS, THE Southern African retail chain with an annual turnover of R140m ($165m) has yet to reap any benefit from the region's incipient economic upturn.

No details of turnover are given in the interim report for the six months to March 31, 1979, but pre-tax profit of R3.33m ($3.93m) is marginally lower than the R3.34m for the same period of 1978. It compares with R8.96m pre-tax profit on R138.2m turnover for the year to September 30, 1978.

Management is almost entirely lacking in optimism as far as growth in the short-term is concerned. Frasers traditionally aims its marketing at the non-white population group, and, according to the interim report, unemployment in those rural areas which are important to the company remains acute.

In consequence, the incidence of bad debts has increased while buying patterns tend to concentrate increasingly on low-margin staples such as food and cigarettes. This necessitated price mark-downs on such items as clothing and soft goods in an effort to maintain turnover.

While the company's considerable expansion of the past few years leaves it in a sound position to take advantage of an upturn in consumer spending, this is unlikely to be translated into substantially better dividends in the short term according to Mr. Donald Campbell, the chairman. In 1978 dividends totalling 18.5 cents were paid from earnings of 54 cents.

SELANGOR TIN MINING

Confidence grows

BY GEORGIE LEE

THE SERIES of agreements over mining leases in one of Malaysia's two most important states, Selangor, concluded last month between some of Malaysia's major mining companies and the Selangor State Government-owned company, Kumpulan Perangsang Selangor (KPS), has brought relief at least to some quarters of the tin industry in Malaysia.

The agreements have also removed much of the uneasiness over the state's policy on involvement in the tin industry —which for the past year or two has perturbed many mining companies anxious over the future of their operations in the state, and also brought the state into what some observers felt was friction with the Federal Government.

The most important agreement concerns Berjuntai Tin Dredging Berhad, a mining company in which the Federal Government-owned Malaysia Mining Corporation (MMC) has a substantial stake.

The agreements reinstated Berjuntai's mining leases covering 4,000 acres of land in Selangor which were earlier given to KPS, on their expiry. In addition, they call for the appointment of Berjuntai by KPS to undertake prospecting over an area of 2,000 acres of land adjacent to Berjuntai's own mining operations as well as the formation of a joint company—with KPS owning 70 per cent and Berjuntai 30 per cent of the equity—to expand tin mining activities in the state.

Much to the industry's surprise, the State Government in November last year rejected the application of Berjuntai for the renewal of its mining leases on the 400 acres and instead awarded the leases to KPS which was then to sub-lease the land to Berjuntai in return for a 10 per cent tribute on tin ore production.

Observers had expected Berjuntai, as a partly Federal Government-owned company, to have little difficulty in securing renewal of its mining leases. The State Government's decision then precipitated a long-standing issue—the dissatisfaction of the State Government with the Federal Government over its share of revenue from its tin resources.

State Governments in the Federation have always felt that they have not been getting an equitable share of the income from mineral ressources located in their states.

In the case of tin, all that the State Governments receive from the Federal Treasury from tin is 10 per cent of export duty and surcharge collected on tin mined in their states, although they have been pressing for an increase to 20 per cent.

To derive greater benefit from the state from its mineral wealth, the Selangor Government has thus decided to participate more actively in the

A series of agreements struck last month between major mining companies and Kumpulan Perangsang Selangor come at a time when the state-owned company's role in Malaysian tin mining has been strengthened by Malaysia's largest tin find of recent years—in he Kuala Langat area

mining industry in its state through KPS; and this is made easier by the fact that mining leases come within the jurisdiction of State Governments.

Besides ensuring a more equitable share of its mineral wealth, the other stated objective of the State Government's move into the tin industry is to increase local ownership of tin mines, particularly those which are foreign-owned. The move is thus in line with the national objective of striving towards majority shareholding by Malaysians, particularly in the extractive industries.

This reasoning, undoubtedly is politically acceptable, but the problem arises in that many of the country's major tin mining companies have already undergone the expensive process of transferring their domicile to Malaysia and control to local hands, to conform with the requirements of the country's New Economic Policy, which among other things requires 30 per cent of its wealth to be in the hands of the local indigenous people, or Bumiputras, by 1980.

This is essentially the rationale behind Malaysia's purchase of London Tin and the consequent building up of Malaysia Mining Corporation into the world's largest tin mining corporation.

Several major tin companies, particularly those with MMC involvement have, therefore, broadly satisfied the Federal Government's objectives and policies on tin mining.

Thus, when companies like Berjuntai, where the MMC already has a substantial stake have their application for renewal of leases rejected, it is not surprising that ripples of uneasiness flow through the industry.

KPS's group managing director, Mr. Dato Zulkifli Bin Kamaruddin, said in Singapore that the description of the issue by the Press as a conflict between the State and Federal Governments was a misnomer. "In the past, because there were no contenders for the mining leases, the state government usually renewed the leases on application by mining companies.

"Mining companies have therefore come to expect automatic renewal of their leases. However, now we have KPS which is also interested in tin mining in the state."

For existing mining land on which the leases have expired, the Selangor Government makes a distinction between mining companies which are locally-owned and those which are foreign-owned. Locally-owned tin mines would have a better chance at having their leases renewed.

In the case of foreign-owned mining companies, it is possible that their leases will not be renewed but given to KPS which would then sub-lease the land back to the company in return for a tribute and equity participation. This is exemplified in one of last month's agreements —that between the KPS and the U.S.-based company, Pacific Tin.

Under the agreement, KPS will sub-lease to its joint venture with Pacific Tin—Perangsang Pacific—1,500 acres of mining land in Batang Berjuntai in Selangor. The 1,500 acres includes land formerly held by Pacific Tin, although it also includes some further land held by KPS.

For this, KPS will receive 10 per cent of the equity of Perangsang Pacific plus a 10 per cent tribute on tin ore production, with an option of increasing its equity participation up to 30 per cent plus a tribute of 5 per cent.

For the prospecting and exploitation of tin reserves in new mining land, the only way that mining companies can participate is through the establishment of joint ventures with KPS, with the state company owning 70 per cent of the equity, such as the one formed with Berjuntai.

Reinforcing the KPS part in Malaysian tin mining has been the discovery of reserves of tin deposits in the Kuala Langat area in the southern part of Selangor. The Kuala Langat tin find, which is Malaysia's, and possibly one of the world's largest tin finds in recent years, covers an area of approximately 40,000 acres—bigger than the famed Kinta Valley in the State of Perak which is the traditional site of tin mining in Malaysia.

With 7,500 acres prospected so far, the proven reserves are believed to be around 5m piculs or slightly over 300,000 metric tons. This is equivalent to about four times Malaysia's current annual tin output and is worth more than 6bn ringgit (US$2.7bn).

The ultimate size of the lode, which has yet to be mined, could be twice as large.

Of the 7,500 acres, 4,200 acres are presently occupied by a rubber and palm oil plantation belonging to the Brooklands (Selangor) Rubber Company, a wholly owned subsidiary of Plantation Holdings. Brooklands was also one of the parties involved in las tmonth's agreements.

KPS plans to commence mining activities in the Brooklands Estate—which will be the first location in the Kuala Langat tin find to be mined—soon.

Under the terms of the agreement, the Selangor Government will withdraw its gazetting order on the Brooklands Estate and, instead, will acquire from Brooklands up to 4,200 acres at a fixed price of 4,000 ringgit per acre as and when the land is required for mining purposes.

The development of mining activities in the Brooklands Estate is estimated to cost over 200m ringgits and will involve the construction of three giant dredges. The first dredge is expected to commence production in about three years.

Besides new joint ventures arising from the agreements, KPS has two other existing tin mining subsidiaries, Timah Langat Berhad and Perangsang Rio Tinto (M), which is a joint venture with Conzinc Riotinto Sendirian Berhad.

Timah Langat currently has one dredge mining 2,000 acres of land in Dengkil, Selangor, while Perangsang Rio Tinto, whose dredge is currently under construction, is expected to commence mining over an area of 1,400 acres in August this year.

KPS's activities, however, are not confined to the tin industry, said its assistant managing director, Encik Jamaluddin Bin Mahmud.

The company, which was formed in 1975 with an issued capital of 57m ringgits is also involved in property development and the hotel industry. It owns 76 per cent of the Kuala Lumpur Holiday Inn.

CURRENCIES, MONEY AND GOLD

Pound and dollar lose ground

Sterling and the U.S. dollar both lost ground in yesterday's foreign exchange market in fairly active trading. The pound started to weaken quite early in the morning, with selling out of Switzerland contributing considerably to the decline. By noon its trade weighted index had fallen from an unchanged opening level of 67.5 to 67.3 and continued to fall to a closing level of 67.0. Against the dollar, sterling opened at $2.0855-2.0865, probably its best level for the day, and eased to $2.0800 quite quickly. It steadied around this level until further selling developed in the U.S., which saw the rate decline to $2.0715. Around this point the Bank of England intervened and the pound finished slightly above its lowest level at $2.0725-2.0735, a loss of 1.2c from Tuesday.

The dollar continued to ease mainly in reaction to the diminishing prospect of any immediate rise in U.S. interest rates. During the afternoon however, it made a sharp turnaround on news of a reduction in the amount of gold on offer at future U.S. auctions. Nevertheless closing quotations were generally lower than Tuesday's levels and the dollar eased to DM 1.8960 from DM 1.9030 against the D-mark and to SwFr 1.7170 from SwFr 1.7230 in terms of the Swiss franc. The Japanese yen hung on to gains made earlier in the day with the dollar finishing at Y215 compared with Y217½ previously. On Bank of England figures, the dollar's trade weighted index fell to 85.8 from 85.9.

The Italian lira lost ground against its EMS partners, but still remained the most improved currency in terms of its performance against ECU central rates set on March 13. The Belgian franc continued as the weakest currency but showed signs of improvement, except against the Danish krone, where it remained on or around its lowest permitted level.

The Irish punt improved against the dollar to $2.0175 from $2.0075, but lost ground against other members of the EMS. Against the D-Mark it fell to DM 3.8060 from DM 3.8210, the French franc to FFr 8.7575 from FFr 8.7805, the guilder to Fl 4.1335 from Fl 4.1355, the Belgian franc to BFr 60.43 from BFr 60.58, the lira to L1693 from L1695 and the Danish krone to DKr 10.61 from DKr 10.65.

Frankfurt—There was no intervention by the Bundesbank when the dollar was fixed at DM 1.8970 (DM 1.9061) in active trading. The U.S. unit came on offer as speculation on higher U.S. interest rates subsided.

Milan—the lira lost ground against other EMS currencies but improved against the dollar and sterling. The dollar was fixed at L843.45, down from L845.45 on Tuesday while sterling eased from L1,763.9 to L1,754.0. The D-mark was quoted at L444.45, up from L443.45 previously.

Tokyo—The dollar closed slightly easier against the yen at Y217.575 compared with Y217.925 on Tuesday. After opening at Y218.50, the U.S. unit touched Y218.10 before falling back partly as a result of intervention by the Bank of Japan. The dollar was also affected by the general feeling that any tightening of U.S. credit policy now seemed less likely.

THE POUND SPOT AND FORWARD

April 18	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.0715-2.0865	2.0725-2.0735	0.42-0.32c pm	2.14	0.77-0.67 pm	1.39
Canada	2.3620-2.3800	2.3635-2.3645	0.32-0.22c pm	1.35	0.60-0.50 pm	0.93
Nethlnd.	4.25¼-4.30	4.26¼-4.27¼	2¼-1¼c pm	4.57	5¼-4¼ pm	4.57
Belgium	62.30-63.00	62.35-62.45	30-20c pm	4.81	73-63 pm	4.36
Denmark	10.93-11.06	10.93½-10.94½	2¼-1¼ore pm	1.92	2¾-1¾ pm	0.64
Ireland	1.0285-1.0330	1.0270-1.0280	8-18p dis	-1.52	0.45-0.60dis	-2.04
W. Ger.	3.91¼-3.97	3.93¼-3.93¾	2½-1½pf pm	7.25	7-6 pm	6.62
Portugal	101.05-102.25	101.10-101.50	60-110c dis	-9.48	140-240 dis	-7.50
Spain	141.60-143.00	141.70-141.90	50-120c dis	-7.19	125-225 dis	-4.94
Italy	1,748-1,767	1,747½-1,748½	3 lire pm-par	0.87	1¼ pm-¾ dis	0.11
Norway	10.63-10.73	10.64½-10.65½	3¼-1¼ore pm	3.10	7¼-5¼ pm	2.35
France	9.03-9.12	9.04-9.05	4¼-3¼c pm	4.81	9¼-8¼ pm	4.03
Sweden	9.08-9.17	9.08½-9.09½	4¼-2¼ore pm	4.29	7¼-5¼ pm	2.86
Japan	445-455	446¼-447½	2.90-2.55y pm	7.32	7.20-6.85 pm	6.29
Austria	28.77-29.15	28.82-28.87	25-16gro pm	8.32	50-40 pm	6.24
Switz.	3.54½-3.60	3.55½-3.56½	2¼-2¼c pm	10.95	10¼-9¼ pm	10.91

Belgium rate is for convertible francs. Financial franc 63.40-63.50. Six-month forward dollar 1.33-1.28c pm; 12-month 1.90-1.80c pm.

THE DOLLAR SPOT AND FORWARD

April 18	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.0715-2.0865	2.0725-2.0735	0.42-0.32c pm	2.14	0.77-0.67 pm	1.39
Ireland†	2.0150-2.0225	2.0165-2.0185	0.85-0.65c pm	4.31	1.75-1.50 pm	3.22
Canada	87.68-87.71	87.69-87.71	0.09-0.06c pm	0.20	0.10-0.07 pm	1.82
Nethlnd.	2.0545-2.0670	2.0560-2.0570	[illegible]	[illegible]	[illegible]	—
Belgium	30.09-30.12	30.10-30.12	7½-6½c pm	4.09	23-21 pm	4.25
Denmark	5.2630-5.2850	5.2825-5.2850	0.40-0.10ore pm	0.20	0.50 pm-par	0.33
W. Ger.	1.8920-1.9000	1.8955-1.8965	0.91-0.71pf pm	4.81	2.58-2.48 pm	5.34
Portugal	48.65-48.90	48.80-48.90	40-60c dis	-12.28	100-165dis	-10.25
Spain	68.30-68.50	68.35-68.42	40-50c dis	-7.89	90-100 dis	-5.56
Italy	842.25-843.40	843.20-843.40	1.00-1.40lire dis	-1.71	2.60-3.30dis	-1.40
Norway	5.1255-5.1300	5.1275-5.1285	1.80-0.30ore pm	7.29	1.60-1.10 pm	1.05
France	4.3595-4.3650	4.3625-4.3650	1.07-0.97c pm	2.83	3.06-2.86 pm	2.70
Sweden	4.3850-4.3975	4.3850-4.3860	0.60-0.40ore pm	1.37	1.65-1.45 pm	1.41
Japan	215.15-217.50	215.45-215.55	0.90-0.65y pm	5.19	2.75-2.55 pm	5.03
Austria	13.902-13.923	13.902-13.907	6.00-5.25gro pm	4.85	18.50-16.50pm	5.03
Switz.	1.7130-1.7230	1.7165-1.7175	1.00-1.20c pm	8.74	4.15-4.05 pm	9.55

† UK, Ireland and Canada are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

April 17	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	12	0.610766	0.657548
U.S. $	9½	1.27483	1.36037
Canadian $	11¼	1.45649	1.52194
Austria Sch.	3¾	17.8381	18.6283
Belgian F	6	38.5222	40.3304
Danish K	8	6.76489	7.06560
D mark	4	2.42995	2.53762
Guilder	6½	2.63580	2.75014
French Fr	9½	5.58184	5.82780
Lira	10½	1077.87	1124.76
Yen	3½	277.630	290.287
Nrwgn K	7	6.57494	6.86405
Spanish Pes	8	87.4317	91.2235
Swedish Kr	6½	5.60288	5.85430
Swiss Fr	1	2.20163	2.29941

CURRENCY MOVEMENTS

April 18	Bank of England Index	Morgan Guaranty changes %
Sterling	67.0	-37.4
U.S. dollar	85.8	-8.4
Canadian dollar	83.1	-14.7
Austrian schilling	145.4	+19.0
Belgian franc	113.6	+14.0
Danish kroner	116.7	+5.9
Deutsche Mark	149.2	+41.1
Swiss franc	193.2	+77.3
Guilder	125.9	+19.6
French franc	98.7	-6.6
Lira	54.8	-48.7
Yen	154.1	+53.1

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER MARKETS

Apr. 18	£	$		Note Rates
Argentina Peso	2453-2473	1183-1193	Austria	28¾-29¼
Australia Dollar	1.8715-1.8755	0.9028-0.9047	Belgium	63¼-64¼
Brazil Cruzeiro	47.37-48.37	22.85-23.35	Denmark	11.00-11.10
Finland Markka	8.295-8.305	4.0015-4.0065	France	9.00-9.16
Greek Drachma	76.450-78.299	36.88-37.77	Germany	3.90-4.00
Hong Kong Dollar	10.550-10.650	5.0915-5.1400	Italy	1,735-1,775
Iran Rial	144.0-159.0	72-75	Japan	445-455
Kuwait Dinar (KD)	0.574-0.584	0.2777-0.2778	Netherlands	4.25-4.35
Luxembourg Frc.	62.35-62.45	30.09-30.11	Norway	10.70-10.80
Malaysia Dollar	4.5860-4.6060	2.2170-2.2320	Portugal	96-102
New Zealand Dlr.	1.9735-1.9795	0.9520-0.9550	Spain	141-144
Saudi Arab. Riyal	7.00-7.10	3.3800-3.3830	Switzerland	3.55-3.65
Singapore Dollar	4.4560-4.4660	2.1505-2.1555	United States	2.0600-2.0900
Sth. African Rand	1.7570-1.7670	0.8476-0.8524	Yugoslavia	42-45½

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 18	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.4582	40.1899	+1.85	+1.29	±1.53
Danish Krone	7.08592	7.05861	-0.39	-0.95	±1.635
German D-Mark	2.51064	2.53200	+0.89	+0.33	±1.1325
French Franc	5.79831	5.82354	+0.44	-0.12	±1.35
Dutch Guilder	2.72077	2.74057	+0.92	+0.36	±1.5075
Irish Punt	0.662638	0.661652	-0.15	-0.71	±1.665
Italian Lira	1148.15	1126.25	-1.91	-1.91	±4.0725

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

Apr. 18	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.073	3.930	446.9	9.045	3.560	4.268	1748.	2.364	62.40
U.S. Dollar	0.482	1.	1.896	215.6	4.363	1.717	2.059	843.2	1.140	30.10
Deutschemark	0.254	0.527	1.	113.7	2.302	0.906	1.086	444.8	0.602	15.88
Japanese Yen 1,000	2.238	4.639	8.794	1000.	20.24	7.966	9.550	3912.	5.290	139.6
French Franc 10	1.106	2.292	4.345	494.1	10.	3.936	4.718	1933.	2.614	68.99
Swiss Franc	0.281	0.583	1.104	125.5	2.541	1.	1.199	491.0	0.664	17.53
Dutch Guilder	0.234	0.486	0.921	104.7	2.120	0.834	1.	409.6	0.554	14.62
Italian Lira 1,000	0.572	1.186	2.248	255.6	5.174	2.037	2.441	1000.	1.352	35.70
Canadian Dollar	0.423	0.877	1.662	189.0	3.826	1.506	1.805	739.4	1.	26.40
Belgian Franc 100	1.603	3.322	6.298	716.1	14.50	5.705	6.839	2801.	3.788	100.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.35-10.25 per cent; three months 10.45-10.35 per cent; six months 10.60-10.50 per cent; one year 10.50-10.40 per cent.

Apr. 18	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
Short term	11¾-12¼	10¼-10¾	9½-10½	6¾-7	⅝-¾	4½-4⅝	6⅞-7⅛	13-15	—	⅝-7¼
7 day's notice	11¾-12¼	10½-10¾	9¾-10½	6¾-7	⅝-⅞	4⅝-4¾	7-7⅛	10½-11½	10⅛-10⅜	5⅛-6
Month	11⅞-12⅛	10⅝-10⅞	10⅝-11	6⅞-7⅛	¾-⅞	5-5⅛	7⅛-7⅜	11-12	9⅞-9⅞	4¾-5
Three months	11⅞-12⅛	10½-10¾	10⅛-10⅜	7⅛-7⅜	⅞-1⅛	5⅛-5¼	7⅞-7⅞	11½-12½	10⅛-10⅜	5⅜-5⅝
Six months	11½-11¾	10⅝-10⅞	10⅝-11	7¼-7½	1⅞-1⅞	5⅜-5½	8⅝-8⅝	12-13	10½-10⅞	5⅝-5⅞
One year	11⅝-11⅝	10½-10¾	10½-10⅞	7⅛-7¾	2⅛-2⅜	5⅜-5⅝	9-9¼	12⅛-13⅛	10⅝-10¾	6-6⅝

Long-term Eurodollar deposits: two years 10¼-10⅝ per cent; three years 10⅝-10⅞ per cent; four years 10⅝-10⅞ per cent; five years 10-10⅝ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

INTERNATIONAL MONEY MARKET

Hong Kong rates higher

The Exchange Bank's Association of Hong Kong has decided to raise its prime lending rate by 1½ per cent to 13 per cent *following an emergency meeting* of the interest rate sub-committee yesterday. The rate of interest paid on deposits will also go up by 1½ per cent to 7½ per cent for savings, seven days call and three months; 9 per cent for six-month; and 10 per cent for 12-month.

The association comprises nearly all commercial banks, and has taken the decision to raise interest rates in the light of monetary considerations, and the instability of the Hong Kong dollar in the foreign exchange market. The Hong Kong currency has been very volatile recently, falling to a seven-year low of HK$5.30 against the U.S. dollar yesterday.

In the domestic money market conditions were easy in the morning, but tightened in the *afternoon. Call money and overnight* were 10¾ per cent.

PARIS — Day-to-day money was unchanged at 7 per cent, and one-month at 6¾-6⅞ per cent. Three-month funds eased to 6⅞-7⅛ per cent from 7-7¼ per cent, while six-month was unchanged at 7¼-7⅜ per cent, and 12-month at 7⅜-7⅞ per cent.

FRANKFURT — Call money fell to 5.15-5.25 per cent from 5.20-5.30 per cent, and one-month was quoted at 5.40-5.45 per cent, *compared with 5.35-5.45 per cent*. Three-month rose to 5.55-5.60 per cent from 5.50-5.55 per cent, while six-month was 5.75-5.80 per cent, compared with 5.70-5.80 per cent; and 12-month 6.00-6.10 per cent against 5.90-6.10 per cent.

BRUSSELS — The Belgian National Bank continued to draw on its ECU reserves to defend *the Belgian franc against the* Danish krone in the European Monetary System last week. The Danish currency was again fixed at its upper intervention limit against the Belgian franc yesterday, and over a three-week *period the Belgian central bank* has spent BFr 4.404bn to support its currency against the krone in the EMS.

Call money fell to 4.25 per cent from 4.45 per cent yesterday. One-month was 7⅜-7½ per *cent, compared with 7⅜-7⅝ per* cent, while three-month rose to 7⅞-8 per cent from 7⅝-7⅞ per cent. Six-month funds were unchanged at 8¼-8⅜ per cent, and 12-month at 8⅝-8⅞ per cent.

GOLD

Sharp rise

Gold rose sharply in the London bullion market yesterday on news of the U.S. Treasury's decision to reduce the amount of gold on offer at the monthly auctions to ¾m ounces from 1½m. The metal finished at its best level for the day at $237½-238¼, a rise of $5¾ an ounce. In New York it was quoted even higher at $239-239½. Soon after the announcement, trading became very hectic, with *gold improving* around $4 in a matter of minutes.

In Paris the 12½-*kilo bar* was fixed at FFr 33,650 per kilo ($239.92 per ounce) compared with FFr 33,600 ($239.69) in the morning and FFr 33,450 ($237.61) on Tuesday afternoon.

	Apr. 18	Apr. 17
Gold Bullion (fine ounce)		
Close	$237½-238¼	$231¾-232½
	(£114.5-114.9)	(£111.1-111.5)
Opening	$233¾-234½	$231¼-232
	(£112.1-112.4)	(£110.8-111.2)
Morning fixing	$234.50	$231.75
	(£112.784)	(£110.959)
Afternoon fixing	$233.20	$231.90
	(£112.331)	(£111.037)
Gold Coins, domestically		
Krugerrand	$253-257	$250¾-252¾
	(£122-124)	(£120½-121½)
New Sovereigns	$64¼-66¼	$63½-65½
	(£31-32)	(£30½-31½)
Old Sovereigns	$74-76	$73¼-75¼
	(£35¾-36¾)	(£35-36)
Gold Coins, internationally		
Krugerrand	$243¼-245¼	$239-241
	(£117½-118½)	(£114½-115½)
New Sovereigns	$61-63	$60-62
	(£29½-30½)	(£28¾-29¾)
Old Sovereigns	$74-76	$73¼-75¼
	(£35¾-36¾)	(£35-36)
$20 Eagles	$335½-340½	$330-332
$10 Eagles	$185-190	$184-189
$5 Eagles	$126-131	$125-130

UK MONEY MARKET

Very large assistance

Bank of England Minimum Lending Rate 12 per cent (since April 5, 1979)

Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave a very large amount of assistance by buying a moderate number of Treasury bills and a small amount of local authority *bills* from the discount houses. They also lent a *moderate amount* to two or three houses, overnight at Bank of England Minimum Lending Rate of 12 per cent.

Repayment was made of moderate seven day and over*night lending, and the houses* were faced with a small net take up of local authority bills, and a very small number or Treasury bills. On the other hand banks brought forward moderate surplus balances, and the market *was also helped by a moderate* excess of Government disbursements over revenue payments to the Exchequer.

Discount houses paid 11⅞-12 per cent for secured call money at the start, with *trading somewhat* difficult because it was the *monthly make-up* day for the banks. Some money was picked up at 11 per cent, but closing balances were generally in the region of 11½ per cent.

In the interbank market overnight loans opened at 11¾-12¼ per cent, and fell to 10½-11 per cent in the afternoon, before finishing at 13-15 per cent.

Rates in the table below are nominal in some cases.

LONDON MONEY RATES

Apr. 18 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills Φ	Eligible Bank Bills Φ	Fine Trade Bills Φ
Overnight	—	10½-15	—	—	—	13⅜	11-12	—	—	—
2 days notice	—	—	12-12¼	—	—	—	—	—	—	—
7 days or...	—	—	—	—	—	—	—	—	—	—
7 days notice	—	11⅞-12⅛	12⅛-12¼	—	12¼	12⅜-12½	11¾-12	—	—	—
One month	11⅞-11¾	11¾-11⅞	11¾-12	11⅞-12¼	12¼	12⅛	11⅝-11¾	11⅞	11⅞	12¼
Two months	11¾-11⅝	11⅞-11⅞	—	11⅛-11⅞	12⅛	—	11⅜-11½	11⅜	11⅞	12⅛
Three months	11⅝-11½	11⅝-11¾	11⅝-11⅞	11-11⅜	12	11⅞	11¼-11⅜	11⅞-11⅞	11½	12
Six months	11¼-11⅛	11⅞-11½	11-11⅜	10½-10¾	11¾	—	—	—	10⅞	11¼
Nine months	11⅛-10⅞	11⅛-11¼	—	10¾-11⅛	11½	—	—	—	—	—
One year	10⅞-10¾	10⅞-11⅛	10⅞-11⅛	10¾-11⅛	11¼	—	—	—	—	—
Two years	—	—	11¼-11½	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. *Long-term local authority mortgage rates nominally three years 11⅞ per cent; four years 11⅞-11⅞ per cent; five years 11⅞-12 per cent. ΦBank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 11⅛ per cent; four-month trade bills 12 per cent.

Approximate selling rates for one-month Treasury bills 11⅞ per cent; two-month 11⅝ per cent; three-month 11⅞-11¼ per cent. Approximate selling rate for one-month bank bills 11⅞ per cent; two-month 11⅝ per cent; and three-month 11⅞ per cent; one-month trade bills 12¼ per cent; two-month 12 per cent; and three-month 11⅞ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from April 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 9-9½ per cent. Clearing Bank Rates for lending 12 per cent. Treasury Bills: Average tender rates of discount 11.3802 per cent.

MONEY RATES

NEW YORK

Prime Rate	11.25-11.75
Fed Funds	10.0
Treasury Bills (13-week)	9.57
Treasury Bills (26-week)	9.58

GERMANY

Discount Rate	4
Overnight Rate	5.20
One month	5.425
Three months	5.575
Six months	5.775

FRANCE

Discount Rate	9.5
Overnight Rate	7
One month	6.8125
Three months	7
Six months	7.3125

JAPAN

Discount Rate	4.25
Call (Unconditional)	5.0
Bills Discount (three-mth.)	5.625

CO-OPERATIVE INSURANCE SOCIETY LIMITED

INCREASED BONUSES TO C·I·S POLICYHOLDERS

At the 111th Annual General Meeting of the Co-operative Insurance Society Limited held in Manchester on April 18, 1979. Mr. Hedley Whitehead, Chairman, reported:

In presenting my first Annual Report as Chairman of the Society, I begin by paying a well-deserved tribute to my immediate predecessor, Mr. H. A. Toogood, *who retired from the* Board in June last year. Mr. Toogood had been a *Director of* the CIS since 1965 and Chairman since 1968. He brought to the affairs of the Society the same qualities of a perceptive mind *and sound judgment that he* showed in the other important offices he occupied during a working lifetime of service to the Co-operative Movement. A natural *modesty led him to* under-rate his influence on the organisations with which he was associated, but he was held in *the highest regard by all who* had the pleasure of knowing him and working with him.

The past year has also seen the retirement of the Society's Chief General Manager, Mr. H. Seeley, who gave up his duties last February after nearly 45 years' service with the CIS. Mr. Seeley became chief executive *in 1967, and probably the outstanding* achievements of his period of leadership of the management team were the major changes in the Society's organ*isation and operating methods* that took place. Such changes enabled the CIS *to maintain its* progress in an increasingly competitive market, and when high inflation and other national economic misfortunes created severe *difficulties for the* insurance industry. In addition to his *service to the Society*, Mr. Seeley was active in the insurance trade associations and did much to enhance the Society's influence within the industry. He was also a prominent figure in the international co-operative insurance *field*.

The Society owes a heavy debt of gratitude to both of these gentlemen, who have served it so faithfully and effectively, and we wish them well in their retirement.

The Board appointed Mr. A. Duval to succeed Mr. Seeley as Chief General Manager. Mr. Duval has been closely associated with all the major changes in the Society to which I have just referred, and the Board is *confident that under his leader*ship the Society's affairs will *continue to prosper*.

Progress of the Society

I come now to report on the progress of the Society during 1978 and I am happy to be able to say that in most aspects of our business it was a satisfactory year. The national economic climate was more congenial, with *inflation lower* than in recent years, and there was an exceptionally large growth in real terms in personal disposable incomes as increases in earnings far outstripped the rise in living costs. In these favourable cir*cumstances, the year was another* good one for new life assurance business and the Society's non-life business also expanded.

The total premium income from all classes of business increased by over 15 per cent to *£238.5 million. The proportion of* premium income absorbed in the costs of running the business fell from its 1977 level, which in turn was a little below the peak it reached in 1976. The level of expenses is good by the stand*ards of the insurance industry* as a whole, but it is still higher than the levels that we were able to achieve before the upsurge in the rate of inflation five years ago. We have therefore continued to seek methods of *improving* the administrative efficiency of the Society.

We completed in 1978 the conversion to a computerised system of the premium accounting for *industrial life business*, and we shall shortly complete the extension of the *system to* cover the accounting for claim payments. These changes have considerably reduced the amount of clerical work involved by comparison with the methods formerly used. We have also *recently* introduced a new motor policy form which is easier to prepare and, we believe, easier to understand than the forms previously in use. The same *policy document is now used for* all the main classes of vehicle and consists of a single sheet of paper on which the computer indicates the provisions which apply to the particular case.

These are just two examples of the many ways in which over the years the Society has sought to become more efficient. Improved efficiency not only benefits the policyholders by *enabling us to give them better* value for their premiums, but *it is also essential if the Society* is to prosper and provide job security for the staff.

International Co-operative Insurance

The Society continues to play *an active part* in the activities of the International Co-operative Insurance Federation, which provides the framework for collaboration among 73 co-operative insurance societies in 29 different countries. The Federation *held a very successful conference* in October 1978 in the impressive new headquarters of the Nationwide Insurance Group in Columbus, Ohio. Among the *many matters which were dis*cussed in Columbus were the arrangements for providing technical assistance to new co-operative insurance societies which have been, or are about to be, set up in developing coun*tries. The CIS is proud to play* its part in helping the co-operative movements in other countries to establish co-operative insurance on a sound basis.

I now comment in more detail on the Society's operations in 1978.

Investments

The stock markets were less volatile in 1978, the year being happily free from major economic or financial disturbances of the kind which had been the cause of big fluctuations in market prices in the preceding *few years. The general level of* ordinary share prices was much the same at the end of the *year* as it had been at the beginning, although there was a period of rather higher prices in August and September. In the gilt-edged market there was some reduction in prices over the year and a consequent increase in the interest yields obtainable on investments in that market, the yields on long dated stocks rising by about 2 percentage points to *around 13½%. This increase in* yields on gilt-edged stocks was part of a general rise in interest rates, which was caused by a continued heavy volume of borrowing by the public sector in a period of economic expansion *when* there was a growing demand for finance from the *private sector*.

In the property investment market the volume of institutional funds seeking good properties remained greater than the supply coming on to the market, and the interest yields *obtainable on investments in the* better types of existing properties were forced down to very low levels. Higher investment yields could, however, be achieved from investments involving the financing of developments of new properties, or the renovation and improvement of existing buildings, and during the year there was an increase in development activity, particularly of industrial and warehouse property, which was encouraged by the more buoyant condition of the economy.

Of the Society's investments during the year for the long term business fund, about two-fifths were in British Government or other fixed interest securities, the remaining three-fifths being fairly evenly divided *between ordinary shares and* property. The property investments consisted almost wholly of the provision of finance for new developments or the renovation and improvement of existing properties.

In the general business and other funds, about three-quarters of the new investments were in fixed-interest securities. The rest of the new money was invested in ordinary shares, apart from a very small increase in the *property portfolio*.

The investment income of the long term business fund was £64.5 million in 1978, as compared with £57.1 million in 1977. The largest element in this increase was the growth in the *income from* property investments, which was attributable *mainly to the increases in rents* that fell due for review during the year in accordance with the relevant leases. Ordinary share dividends also rose substantially *and there was an increase in the* income from British Government securities.

In the general business fund the investment income was £12.2 million in 1978 as compared with £10.6 million in 1977, the in*crease being due mainly* to the larger income from fixed interest securities.

One particularly noticeable point about the consolidated balance sheet set out in the Society's Statement of Accounts is the big increase as compared with 1977 in the amount shown in respect of investments in land and property. This arises mainly because the consolidated balance *sheet incorporates the accounts* of The Oldham Estate Company *Limited, in which the Society has* a 52 per cent interest, and during 1978 Oldham carried out a revaluation of its property assets, showing a substantial increase over the earlier valuation at which those assets had been stated in Oldham's accounts. The effect of the revaluation has also been to produce a marked increase in the size of the interest in Oldham of its other shareholders, which is shown separately in the consolidated *balance sheet*.

Life Assurance

The annual premium *income* on new policies was £27.8 million, securing new sums assured (including the capital value of income benefits) of £618 million and new annuities of £1.0 million per annum. These figures represent *new* records for the Society, the new premiums being more than 20% greater than in 1977, which was itself a good year for new business.

A feature of the life business in recent years has been the rapid growth of the Industrial Section. Several years ago the Society introduced an additional range of Industrial life policies for larger premiums offering *attractive rates of benefit*. The new policies included endowment assurances for a term of ten years and, for the first time in the Industrial Section, family income benefit policies. Business under these new tables has grown rapidly *in* the last few years and in 1978 it accounted for more than half the new premium income in the Industrial Section. The average premium on new Industrial life policies is now almost £3 a month, a *dramatic change from* the traditional idea of Industrial life business.

There has again been an increase in the surplus on our life business and I am pleased to announce increases in our bonus *rates. The rates of reversionary* bonus in the Ordinary Section have been increased from 4.00 per cent to 4.20 per cent for assurances, and from 7.00 per cent to 7.75 per cent for pension annuities and retirement benefits. In the Industrial Section the rate of reversionary bonus on the *main tables has* been increased from 2.50 per cent to 2.60 per cent. Terminal bonuses have also been improved, and in the Ordinary Section now rise *from* 0.6 per cent of the participating sum assured for assur*ance policies with four complete* years' premiums due and paid to 101.0 per cent for policies with 49 or more complete years' premiums due and paid. In the Industrial Section terminal bonuses under the main tables *range from 0.4 per cent to 74.5* per cent. These terminal bonuses do not depend directly on the level of market values of investments but take into account our assessment of the increase in the underlying values of the equity *shares* and properties in which we invest.

Motor Insurance

The premium income increased from £46.7 million in 1977 to £53.3 million in 1978, a *rise of £6.6 million*.

The frequency of claims was about 3% higher in 1978 than in 1977 and the average cost of claims increased by much more than the average rate of increase in retail prices during the period. In consequence there was an underwriting loss of £1.1 *million, but after bringing in* the investment income on the technical reserves, the account shows a surplus of £5.8 million.

Last year we introduced a system whereby policyholders who had been with us for a few *years* and whose *premiums* had substantially contributed to the surplus in our motor account were enabled to participate in that surplus by means of a dis*count from the next renewal* premium. The actual discount granted applied to *all individual* policies for motorists who had been insured with us for at least three years and whose policies would fall due for renewal between 1st July 1978 and 30th June 1979. *Although the surplus in the* motor account for 1978, after taking account of investment income on the technical reserves, is lower than for 1977, we are maintaining the special discount at the same rate as that declared *last year. Thus a discount which* under our points rating system is equivalent to one point (just under 6%) will be granted on all individual policies for motorists whose policies fall due for renewal between 1st July 1979 and 30th June 1980 and who at the date of renewal have been insured with us for at least three years. The policyholders who qualify for this further special *discount will include approxi*mately 60,000 who did not *qualify for the corresponding* discount last year. Appropriate *provisions have been made in* the accounts for the cost of the discounts which are being granted.

Although, when investment income is taken into account, the motor business shows a surplus *in respect of 1978, it is already* clear that, with the prospect of inflation continuing at a high rate for some time to come, it will be necessary to make a *fairly substantial increase in premium* rates from July 1979 if adequate provision is to be made *for the* cost of claims in 1980 and 1981.

Property Insurance

The premium income increased from £33.2 million in 1977 to £41.7 million in 1978, a rise of £8.5 million compared with the *rise of £6.5 million reported last* year.

Although there was extensive flooding on the east coast in January 1978, the property account was not so severely affected by storms and floods in *1978 as it had been in the pre*vious two years and there were also fewer claims for damage by subsidence. On the other hand the frequency of claims from other causes increased quite sharply, and the average cost per *claim went up much faster* than the index of retail prices. The net result is that the cost of claims has absorbed a higher proportion of the earned premiums than in 1977. Expenses, however, have increased less rapidly *than premiums* and the account shows an underwriting profit of £0.6 million, a similar outcome to that produced in 1977 before the reinstatement of the claims equalisation reserve *at the end* of that year.

Other Classes of Non-Life Business

The premium income from the remaining classes of non-life business increased from £10.8 million to £11.7 million and these classes produced an underwriting loss of £0.6 million.

Reserves

The general reserve, which at the end of 1977 stood at £38.5 million, *has been increased by* transfers of £2.6 million from the *long-term business fund* and £4.2 million from the profit and loss account, thus producing a reserve as at the end of 1978 of £45.3 million. The total free reserves have been maintained at 49 per cent of general business *premium income*.

Board and Management Changes

I have already referred to the retirements of Mr. Toogood and Mr. Seeley, and the appointment of Mr. Duval as Chief General Manager. Mr. D. Brown was appointed as a Director to replace Mr. Toogood. We were happy *to welcome Mr. Brown to the* Board and I am sure he will make a valuable contribution to the conduct of the Society's affairs.

The retirement of Mr. Seeley and Mr. Duval's promotion led to a number *of other manage*ment changes, the most senior of which were the appointments of Mr. A. Cochrane as Deputy Chief General Manager & Secretary, Mr. P. D. Johnson as General Manager & Actuary (Non-life) and Mr. A. D. Sneddon as General Manager & Actuary *(Life). In addition* Mr. A. H. Liddle became Deputy General Manager (Administration) and Mr. N. C. F. Allen, Deputy General Manager (Agency). A *further new appointment during* the year was that of Mr. W. F. Webb to the position of Assistant General Manager (Non-life). Mr. Webb had previously been Motor Manager and he was replaced in that position by Mr. R. Vickers.

We congratulate all these gentlemen on their appointments *and wish them well in the dis*charge of the increased responsibilities which they are now carrying.

Conclusion

As I hope has been clear from this Report, the past year has been one of further satisfactory progress by the Society in most areas of its business. Such progress would not have been possible without the efforts of our *loyal and hard-working staff of* employees and full-time agents, and I would like to express to all of them the gratitude of the Board and myself. With their continuing support I am confident that, despite the increasing *complexities of commercial life* and the new problems that may emerge, the Society will continue to develop its business successfully.

The report and accounts were adopted.

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Room F.1,
The Multiple Sclerosis Society of G.B. and N.I.,
4 Tachbrook Street,
London SW1 1SJ.

Weekly net asset value on April 17th 1979

Tokyo Pacific Holdings N.V.
U.S. $60.80

Tokyo Pacific Holdings (Seaboard) N.V.
U.S. $44.30

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson NV Herengracht 214, Amsterdam.

VONTOBEL EUROBOND INDICES

14.5.76=100%

PRICE INDEX	10.4.79	10.4.79	AVERAGE YIELD	10.4.79	18.4.79
DM Bonds	102.08	101.88	DM Bonds	6.948	6.984
HFL Bonds & Notes	99.23	98.71	HFL Bonds & Notes	8.435	8.478
U.S. $ Strt. Bonds	96.63	96.40	U.S. $ Strt. Bonds	9.423	9.460
Can. Dollar Bonds	96.97	96.67	Can. Dollar Bonds	9.955	9.930

Early Dow gain as interest rate fears fade

INVESTMENT DOLLAR PREMIUM

$2.60 to £1—53% (53⅞%)

Effective $2.0730 22% (23%)

A FIRMER trend prevailed on Wall Street yesterday morning in another fairly active trade as concern about interest rates faded.

The Dow Jones Industrial Average picked up 4.51 to 862.44 at 1 pm, while the NYSE All Common Index improved 22 cents to $57.27 and advancing issues outpaced declines by nearly a two-to-one margin. Trading volume amounted to 20.12m shares, not far short of Tuesday's 1 pm figures of 20.85m.

Closing prices and market reports were not available for this edition.

Federal Reserve chairman Miller said in a published interview that he has no intention of tightening credit at the moment.

The stock market has pulled back in recent sessions on fears that apparent strength in the economy would prompt further Fed tightening. Miller, however, stated that the economy is already slowing.

The Commerce Department reported yesterday morning that U.S. personal income rose $19.2bn in March, after a $13bn February rise.

Take over news or speculation aided some stocks. Charter added $1 at $13 and the Warrants rose ⅞ to $7½, both in active trading.

Revco D.S. picked up ½ to $30⅜. The company is engaged in talks on a posisble bid from Woolworth, which hardened ⅝ to $29. Brascan, which is to proceed with its attempt to take over Woolworth, rose ¼ to $20¾ on the American Stock Exchange.

A number of Banks have reported higher profits. Chase Manhattan rose ⅞ to $35¼ in active trading.

Gaming shares advanced, as did some Steel, Drug and Computer shares. Active Honeywell put on ¾ to $69¼. Smithkline advanced 1½ to $96¼ and Johnson and Johnson 1¼ to $70.

terminated talks with Openheimer on the purchase of its assets, lost $1 to $9¼.

Active Texas International retreated ½ to $13½. Gold Crown Resources has extended by two weeks its offer to buy Texas International's Common stock at $18 a share.

THE AMERICAN SE Market Value Index moved ahead 0.97 to 179.62 at 1 pm on volume of 2.06m shares (2.37m).

Resorts International "A" topped the Amex actives list and rose $1 to $45. **Golden Nugget** picked up ⅜ to $23¼.

Houston Oil gained ¼ to $19, **McCulloch Oil** also ¼ to 6½, **Dome Petroleum** 2¼ to $112½, **Canadian Superior Oil** 2¼ to $99 and **Ranger Oil** ⅜ to $17⅞.

Amdahl, on improved profits, advanced 1½ to $38.

Canada

After the recent reactionary trend, shares displayed a bias to higher levels at mid-day yesterday following increased activity.

The Toronto Composite Index was only 0.6 firmer at 1,455.9 at noon, but Golds scored an advance of 45.9 at 1,496.0, while Oils and Gas rose 9.1 to 2,155.4 and Utilities 0.43 to 221.29. In contract, Banks lost 1.00 to 306.15 and Papers 0.59 to 157.56.

Among Golds, **Dome Mines** rose C$4 to C$100 and **Campbell Red Lake** C$1 to C$36½.

Inco, which reported a first-quarter loss, declined ½ to C$23¼, but Alberta Energy, which declared an initial dividend, put on ⅜ to C$22⅞.

Hudson's Bay were down 2¼ to C$26⅞. Thomson interests said 89 per cent of Hudson's shares were tendered under its offer and it will buy 75 per cent pro rata.

Tokyo

Shares mainly lost further ground in an active trading session as investors remained cautious over a sharp increase in margin debts on the three major stock markets last week.

The Nikkei-Dow Jones Average, declined 19.99 more to 6,058.63 and the Tokyo SE Index was 1.94 weaker at 442.15. Turnover further increased to 430m shares from Tuesday's 380m.

Hitachi receded Y8 to Y241, **House Food** Y19 to Y911, **Nippon Steel** Y3 to Y110, **Pioneer Electronic** Y50 to Y2,280 and **Komatsu** Y7 to Y338.

Oils, which have been strong of late, reacted on profit-taking. **Nippon Oil** shed Y10 to Y1,290, **Arabian Oil** Y230 to Y2,920 and **Mitsubishi Oil** Y5 to Y240.

A few export-orientated issues, however, improved against the trend, with **Sony** adding Y10 at Y2,270, **TDK Electronic** Y40 at Y1,950, **Honda Motors** Y4 at Y600 and **Canon** Y3 at Y573.

Germany

Stocks tended to harden as dealers reported active trading in some sectors, notably Stores and Chemicals. The Commerzbank index gained 1.4 to stand at 784.4.

Among Stores, heavy buying of **Neckermann** drove the stock up DM 3.50 to DM 184.00. One dealer said the largest buyer of Neckermann appeared to be a mutual fund. The lively trading in Neckermann shares aided **Karstadt**, which rose DM 2 to DM 328. The department store chain holds 51 per cent of Neckermann's equity.

News that **Continental Gummi Werke** is acquiring Uniroyal's European tyre production and distribution facilities left Contigummi DM 1.70 higher at DM 66.70.

Foreign investors continued to buy Chemical and Bank Shares. Among Chemicals, **Bayer** gained 70 pfennigs. The company's 1978 profit figures and an unchanged dividend were announced after the session closed. **Hoechst** put on 50 pfennigs and **Degussa** rebounded DM 3.

Deutsche Bank climbed DM 1.30 and **Bayerische Vereinsbank** DM 2.

Machine Manufacturers had **Babcock** and **GHH** up DM 1.50 apiece, while **Volkswagen**, in Motors, also put on DM 1.50.

Public Authority Bonds continued in easier vein, with the Bundesbank buying a further DM 6.7m nominal of stock (DM 46.7m). Mark Foreign Loans, however, were steady to firmer.

Paris

Bourse prices moved irregularly in light trading, with the market indicator showing virtually no alteration at the closing bell.

Brokers said Tuesday's optimistic industry survey issued by the Bank of France seemed to have been counterbalanced by an adjusted 1.5 per cent fall in French industrial production in February.

Elf Aquitaine firmed FFr 6 to FFr 535 on forecasting higher 1978 turnover and cash flow.

Share trading in **Banque de la Construction et des Travaux Publics** was suspended by the Stockbrokers' Association after rumours of a possible take-over bid.

Substantially higher at the end of the session were **Locindus, Redoute, La Henin, Sias, Poliet, Matra** and **Esso**.

Credit du Nord, Chargeurs Reunis, Guyenne, Auxiliaire d'Entreprises, Saunier-Duval, SAT, Applications des Gaz and **Peugeot-Citroen** were among the declining issues.

Australia

Uncertainty over Government interest rate policy, little support for Australian shares in London and a fall in some commodity prices were factors behind a widespread retreat yesterday. The Sydney All Ordinaries index weakened 6.12 to 577.13.

Market leader **BHP** declined 25 cent sto A$9.78, while **CSR** receded 12 cents to A$3.65, **ICI Australia** 4 cents to A$2.12 and **Nicholas International** 5 cents to 90 cents.

Among Banks, **BNS Wales**, A$3.38, and **ANZ**, A$4.05, shed 3 cents apiece.

In the Minings sector, **CRA** lost 9 cents to A$3.51, while **Ashton Mining**, 97 cents, and **MIM**, A$3.25, were each 8 cents cheaper.

Western Mining slipped 4 cents to A$2.32, but **Peko-Wallsend** provided a bright exception in Uraniums, rising 8 cents to A$5.08.

Coals made a mixed showing, with **Utah** down 10 cents at A$3.60 but **Bellambi** 10 cents firmer at A$3.50.

Woodside Petroleum eased 3 cents after the latest report on the Pueblo One well on the North West Shelf, which said there had been no further hydrocarbon shows.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
♦ DM 50 denom. unless otherwise stated, yields based on net dividends plus tax.
♥ Pta 500 denom. unless otherwise stated.
♣ DKr 100 denom. unless otherwise stated.
⊕ SwFr 500 denom. and Bearer shares unless otherwise stated. ¶ Y50 denom. unless otherwise stated. ‡ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. A Interim since increased.

NEW YORK

Stock	Apr. 17	Apr. 16
Abbott Labs	31⅞	32⅛
AM International	15⅝	16⅝
Adobe Oil & Gas	24¾	24½
Aetna Life & Ca.	44¼	43⅞
Air Products	28⅝	28⅝
Alcan Aluminium	36½	36½
Alcoa	53¼	53¼
Alleg. Ludium	17⅝	17¾
[illegible]		

Stock	Apr. 17	Apr. 16
Corning Glass	54	54¾
CPC Int'rnation'l	50	49¾
Crane Co	30¾	30½
Crocker Natl	29¾	29¾
Crown Zellerb'h.	33⅞	33⅞
Cummins Engine	36⅝	36⅝
Curtiss Wright	15	15
Dana	27⅝	27⅝
Dart Industries	42½	42⅝
[illegible]		

Stock	Apr. 17	Apr. 16
Johns Manville	23¾	23⅞
Johnson Johnson	68¾	68⅝
Johnson Control.	29⅞	30
Joy Manufacturg	31½	32¼
K. Mart.	25⅜	25⅜
Kaiser Alumini'm	20⅜	20⅜
Kaiser Industries	2½	2¼
Kaiser Steel.	27¼	28⅞
Kaneb Services	15	15⅛
Kay	15⅝	15⅝
[illegible]		

Stock	Apr. 17	Apr. 16
Revlon	47⅜	47⅝
Reynolds Metals.	38	37¼
Reynolds R.J.	56⅞	56⅞
Rich'son Merrell.	22	22⅝
Rockwell Inter.	38⅜	38¼
Rohm & Haas	37⅞	37¼
Royal Dutch	66⅝	66¼
RTE	10½	10⅝
Ross Togs	10⅛	10⅛
Ryder System	22¾	22¾
[illegible]		
Western N.Amer.	29⅛	29⅜
Western Union	18⅝	18⅝
Westing'he Elec.	17⅞	18⅛
Weyerhaeuser	28⅞	29¾
Whirlpool	19⅞	19⅞
White Con. Ind	25¼	24¾
William Co.	18⅛	18¼
Wisconsin Elect.	26⅛	26⅛

Stock	Apr. 17	Apr. 16
Woolworth	28⅞	29¼
Wyly	5⅝	5⅜
Xerox	55⅝	55⅛
Zapata	16	16½
Zenith Radio	14	14⅛
U.S. Treas.4% '80	†95¾	†95¾
USTreas4¼%75/85	‡81½	‡81⅛
U.S. 90-day bills.	9.47%	9.64%

CANADA

Stock	Apr. 17	Apr. 16
[illegible]		
Union Gas	10⅞	10⅞
UntdSiscoe Mnes	9¼	9¼
Walker Hiram	44⅛	44⅛
West Coast Trans	13⅝	13⅜
Weston (Geo.)	24	23¾

† Bid. ‡ Asked. § Traded. ¶ New stock.

GERMANY ♦

Apr. 18	Price DM.	+ or —	Div. %	Yld. %
AEG	64.9	+1.6	—	—
Allianz Versich.	464	—1	31.2	3.3
BMW	229.2	+0.1	28.12	6.1
BASF	138.7	—0.9	18.76	6.8
Bayer	141.2	+0.7	18.75	6.6
Bayer.Hypo	263.5	+0.5	28.12	5.3
Bay. Vereinsbk.	277	+2	28.12	5.0
[illegible]				

TOKYO ¶

Apr. 18	Prices Yen	+ or —	Div. %	Yld. %
Asahi Glass	340		14	2.1
Canon	573	+3	12	1.0
Casio	800	+10	25	1.6
Chinon	380	—1	20	2.6
Dai NipponPrint	562	—3	18	1.6
Fuji Photo	658	+1	15	1.1
Hitachi	241	—8	12	2.5
Honda Motors	600	+4	18	1.5
[illegible]				

Source Nikko Securities, Tokyo

AMSTERDAM

Apr. 18	Price Fls.	+ or —	Div. %	Yld. %
[illegible]				

BRUSSELS/LUXEMBOURG

Apr. 18	Price Frs.	+ or —	Div. Net	Yld. %
[illegible]				

SWITZERLAND ⊕

Apr. 18	Price Frs.	+ or —	Div. %	Yld. %
[illegible]				

COPENHAGEN ♣

Apr. 18	Price Kroner	+ or —	Div. %	Yld. %
[illegible]				

MILAN

Apr. 18	Price Lire	+ or —	Div. Lire	Yld. %
[illegible]				

VIENNA

Apr. 18	Price %	+ or —	Div. %	Yld. %
[illegible]				

PARIS

Apr. 18	Price Fr.	+ or —	Div. Fr.	Yld. %
[illegible]				

BRAZIL

Apr. 18	Price Cruz	+ or —	Div. Cruz	Yld. %
[illegible]				

Turnover Cr. 182.6m. Volume 119.4m.

Source: Rio de Janeiro SE.

EUROPEAN OPTIONS EXCHANGE

Series	April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
[illegible]							

TOTAL VOLUME IN CONTRACTS

C=Call P=Put

BASE LENDING RATES

A.B.N. Bank	12 %
Allied Irish Banks Ltd.	12 %
Amro Bank	12 %
American Express Bk.	12 %
A P Bank Ltd.	12 %
Henry Ansbacher	12 %
Associates Cap. Corp.	14 %
Banco de Bilbao	12 %
Bank of Credit & Cmce.	12 %
Bank of Cyprus	12 %
Bank of N.S.W.	12 %
Banque Belge Ltd.	12 %
Banque du Rhone et de la Tamise S.A.	12½%
Barclays Bank	12 %
Bremar Holdings Ltd.	13 %
Brit. Bank of Mid. East	12 %
■ Brown Shipley	12 %
Canada Perm't Trust	12 %
Cayzer Ltd.	12 %
Cedar Holdings	12 %
■ Charterhouse Japhet	12½%
Choulartons	12 %
C. E. Coates	12 %
Consolidated Credits	13 %
Co-operative Bank	*12 %
Credit Lyonnais	12 %
The Cyprus Popular Bk.	12 %
Duncan Lawrie	12 %
Eagil Trust	12 %
English Transcont.	12½%
First Nat. Fin. Corp.	15 %
First Nat. Secs. Ltd.	14 %
■ Antony Gibbs	12 %
Greyhound Guaranty	12 %
Grindlays Bank	‡12 %
■ Guinness Mahon	12 %
■ Hambros Bank	12 %
■ Hill Samuel	§13 %
■ Hill Samuel	§12 %
Julian S. Hodge	13 %
Hongkong & Shanghai	12 %
Industrial Bk. of Scot.	12½%
Keyser Ullmann	12 %
Knowsley & Co. Ltd.	13½%
Lloyds Bank	12 %
London Mercantile	12 %
Edward Manson & Co.	13 %
Midland Bank	12 %
■ Samuel Montagu	12 %
■ Morgan Grenfell	12 %
National Westminster	12 %
Norwich General Trust	12 %
P. S. Refson & Co.	12 %
Rossminster	12 %
Royal Bk. Canada Tst.	12 %
Schlesinger Limited	12 %
E. S. Schwab	13 %
Security Trust Co. Ltd.	13 %
Shenley Trust	15 %
Standard Chartered	12 %
Trade Dev. Bank	12 %
Trustee Savings Bank	12 %
Twentieth Century Bk.	13 %
United Bank of Kuwait	12 %
Whiteaway Laidlaw	12½%
Williams & Glyn's	12 %
Yorkshire Bank	12 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 9½%, 1-month deposits 9¾%.
† 7-day deposits on sums of £10,000 and under 9½%, up to £25,000 10% and over £25,000 10½%.
‡ Call deposits over £1,000 9½%.
§ Demand deposits 9½%.

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Indices

NEW YORK—DOW JONES

	Apr. 17	Apr. 16	Apr. 12	Apr. 11	April 10	Apr. 9	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
● Industr'ls	857.93	860.45	870.50	871.71	878.72	875.70	878.72 (10/4)	807.00 (27/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	84.27	84.21	84.35	84.35	84.45	84.54	85.90 (2/2)	84.09 (15/1)	—	—
Transport.	230.98	231.25	233.65	233.68	235.25	234.22	235.25 (10/4)	205.78 (27/2)	279.88 (7/2/69)	12.23 (8/7/32)
Utilities	103.04	103.78	103.72	103.96	104.26	104.47	104.94 (6/4)	98.10 (2/1)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol 000's	28,590	28,160	26,910	33,050	31,890	27,250	—	—	—	—

● Day's high 865.64 low 853.95.

Ind. div. yield %	Apr. 12	Apr. 6	Mar. 30	Year ago (approx)
	5.68	5.65	5.74	5.86

STANDARD AND POORS

	Apr. 17	Apr. 16	Apr. 12	Apr. 11	April 10	Apr. 9	1979 High	1979 Low	Since C'mpil't'n High	Since C'mpil't'n Low
‡Indust'ls	112.87	112.75	113.72	114.10	115.54	114.85	116.69 (9/1)	107.88 (27/2)	134.64 (11/1/73)	3.53 (30/6/32)
§Composite	101.24	101.12	102.00	102.31	103.54	102.87	103.54 (10/4)	96.13 (27/2)	125.85 (11/1/6)	4.40 (1/6/32)

	April 11	April 4	Mar. 28	Year ago (approx).
Ind. div. yield %	5.08	4.97	4.99	5.36
Ind. P/E Ratio	8.67	8.70	8.66	8.56
Long Gov. Bond Yield	9.06	8.99	8.98	8.34

N.Y.S.E. ALL COMMON

Apr. 17	Apr. 16	April 12	Apr. 11	1979 High	1979 Low
57.05	57.05	57.53	57.67	58.18 (10/4)	53.88 (27/3)

Rises and Falls

	April 17	Apr. 16	Apr. 12
Issues Traded	1,901	1,900	1,881
Rises	636	352	609
Falls	776	1,169	779
Unchanged	489	379	493
New Highs	28	24	30
New Lows	17	23	11

MONTREAL

	Apr. 17	Apr. 16	April 12	Apr. 11	1979 High	1979 Low
Industrial	244.48	246.16	248.81	246.19	250.91 (27/3)	218.19 (2/1)
Combined	247.77	249.25	248.84	249.65	250.98 (6/4)	225.80 (2/1)
TORONTO Composite	1455.3	1461.3	1467.8	1464.5	1475.1 (6/4)	1315.8 (2/1)
JOHANNESBURG Gold	228.4	(c)	233.3	245.2	290.7 (7/2)	228.4 (17/4)
Industrial	301.7	(c)	313.7	317.3	323.0 (3/4)	276.5 (2/1)

	Apr. 18	Pre-vious	1979 High	1979 Low
Australia (¶)	577.13	583.25	597.68 (19/3)	546.72 (2/1)
Belgium (‖)	108.07	108.12	108.58 (9/4)	98.80 (3/1)
Denmark (**)	95.33	95.18	95.35 (18/4)	88.32 (8/1)
France (††)	79.0	79.0	80.1 (9/4)	71.5 (15/2)
Germany (‡‡)	784.4	783.0	839.6 (15/1)	774.2 (26/3)
Holland (§§)	78.0	78.0	85.9 (24/1)	75.8 (21/3)
Hong Kong (¶¶)	539.58	555.29	568.90 (5/2)	493.83 (3/1)
Italy (‖‖)	72.81	72.57	78.46 (26/3)	68.38 (2/1)
Japan (a)	442.15	444.09	462.97 (31/1)	436.22 (10/4)
Singapore (b)	385.22	385.53	387.66 (11/4)	346.54 (23/2)
Spain (d)	105.72	104.98	111.96 (8/3)	93.05 (12/1)
Sweden (e)	567.68	570.58	401.34 (5/2)	362.05 (2/1)
Switzerld (f)	321.2	321.7	321.7 (17/4)	294.0 (3/1)

Indices and base dates (all base values 100 except NYSE All Common—50; Standards and Poors—10; and Toronto 300—1,000; the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec. 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 29/12/78. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. u Unavailable.

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Woolworth	582,500	28⅞	—⅛
Storage Tech.	524,500	42¾	—2⅞
Gen. Pblic Util.	412,400	13¾	—⅛
Bally Mfg.	359,100	74½	—2
G. D. Searle	350,500	15⅜	+⅛
Caesars World	348,800	72½	—1½
Sears Roebuck	340,000	21¾	+⅛
Revco D.S.	287,800	29⅞	+3⅛
First Chicago	259,000	18⅝	—⅛
Hilton Hotels	256,200	33½	+1

AUSTRALIA

Apr. 18	Aust. $	+ or —
ACMIL (25 cents)	†0.65	
Acrow Australia	†1.06	
AMATIL $1	†2.31	+0.01
Ampol Exploration	†1.58	—0.02
Ampol Petroleum	†0.66	—0.01
Assoc. Minerals	†1.60	
Assoc. Pulp Paper $1	†1.80	—0.01
Audimco 25 cents	†0.38	+0.03
Aust. Consolidated Inds.	†1.72	+0.02
[illegible]		

STOCKHOLM

Apr. 18	Price Kronor	+ or —	Div. Kr.	Yld %
AGA AB (Kr. 40)	192		6	3.6
Alfa Laval(Kr.50)	128		6	4.7
ASEA(Kr.50)	67	—1	5	7.5
Atlas Cop. Kr25	105	+2	7	5.7
Billerud	56	+1		
Bofors	120		5	4.1
Cardo	175		5.75	3.3
Cellulosa	253	—5	11	4.3
Elec'lux 'B'(Kr50	108		6.25	5.8
Ericsson B(Kr50	134		5.5	4.1
[illegible]				

OSLO

Apr. 18	Price Kroner	+ or —	Div. %	Yld. %
[illegible]				

JOHANNESBURG

MINES

April 18	Rand	+ or —
[illegible]		

INDUSTRIALS

	Rand	+ or —
[illegible]		

Financial Rand U.S.$0.78½

(Discount of 33.5%)

SPAIN ♥

April 18	Per cent	+ or —
[illegible]		

Australian wool exports rise

By Our Commodities Staff

AUSTRALIAN WOOL exports in the first seven months of the 1978-79 season (July/January) were 16.6 per cent higher than in the same period in 1977-78, according to the latest issue of the Australian Wool Corporation's "Monthly Perspective" magazine.

Japan remained the major importer with 110.5m kilos, 9.1 per cent up on a year earlier. In second place the Soviet Union imported 5.5 per cent more at 41.28m kilos.

But the most significant rise was in Italian imports which were 59.9 per cent higher at 33.83m kilos.

Heavy selling from stocks has continued in recent months. At the end of March the AWC was holding about 556,500 bales compared with 750,444 at the end of February. At the end of March, 1978, AWC stocks stood at 1.12m bales.

About 70 per cent of the March sales came from stocks held in Australia reducing the proportion of domestically held stocks to a little over 50 per cent compared with historical levels of around 66 per cent.

EEC sugar exports authorised

BRUSSELS — The EEC Commission authorised exports of 41,000 tonnes of white sugar compared with 52,450 last week at its weekly export tender yesterday.

It also authorised exports of 5,000 tonnes of raw sugar, 10,000 last week.

Maximum export rebates were 27.560 European currency units for raws and 31.372 ECU for whites.

In Mexico City meanwhile the Group of Latin American and Caribbean Sugar Exporting Countries (Geplacea) said it will hold its 10th plenary session in Buenos Aires from April 23 to 27.

The meeting will discuss the International Sugar Agreement which came into force January 1, 1978 and co-ordinate policy in preparation for the International Sugar Organisation conference in London in June.

● Mauritius' 1979 sugar crop is estimated at 700,000 tonnes compared with 665,219 tonnes in 1978, the Mauritius Chamber of Agriculture's sugar news bulletin shows.

Cocoa market decline halted

BY RICHARD MOONEY

THE RECENT fall in world cocoa prices was halted yesterday following the publication of a West German January/March demand figure which was not as low as many traders had forecast.

Cocoa bean grindings in West Germany in the first quarter of this year totalled 37,592 tonnes, 5.5 per cent less than in the corresponding period of 1978. This figure was close to the most optimistic of trade forecasts and much better than the 15 per cent fall predicted by some dealers.

The grind had been generally estimated at 5 to 10 per cent lower compared with last year but disappointment at U.S. and UK consumption levels, published recently, prompted a gloomier view in some quarters.

Two weeks ago the U.S. grind, which had been forecast to rise by up to 15 per cent, was published at 44,722 tonnes, 3.5 per cent down on last year. And a week later the UK figure, forecast 5 to 10 per cent lower, showed a fall of 16.7 per cent to 17,500 tonnes.

The aggregate first quarter total for the three countries was 99,814 tonnes, 6.8 per cent less than the same period last year.

The disappointing U.S. and UK figures helped to push nearby prices on the London futures market to their lowest levels for 14 months with the July position falling to £1,532.5 a tonne on Tuesday. But dealers took what they described as "a more constructive view" of yesterday's West German figure and July cocoa recovered £17 to £1,549.5 a tonne.

The rise was also assisted by rumours that "pod rot" was affecting the Brazilian crop.

The underlying mood of the market remain "bearish," however. Physical buying interest remains very poor and most traders are sticking to their earlier forecasts that nearby values could fall below £1,500 before long.

In mid-February London merchants Gill and Duffus forecast that the 1978-79 season would result in a surplus of cocoa production over consumption amounting to 42,000 tonnes. But many dealers now believe the actual surolus will be much higher than this.

Gold sales cutback rallies metal prices

BY JOHN EDWARDS, COMMODITIES EDITOR

NEWS THAT the U.S. Treasury is to halve its monthly gold sales to 750,000 oz brought a sharp rally in London metal markets yesterday.

On the London Metal Exchange copper market, cash wirebars jumped by £28.5 to close at £1,021.5 a tonne and there were similar increases in other base metal markets.

Silver prices rose sharply too. The London bullion spot quotation was up 3.25 to 355.05p an ounce at the morning fixing. But in the afternoon prices were boosted further with the cash price on the London Metal Exchange rising to 361p on the close, 10.1p up on the previous day.

The general feeling is that a rise in gold would be inflationary and reflected in the base metal markets. As usual sentiment is a major influence. Copper prices were already moving up, following the overnight trend in New York, before the news of the cutback in gold auction sales.

Inspiration Copper yesterday joined the U.S. producers who have lowered their domestic producer selling prices to 98 cents a pound.

Meanwhile in London the Commodities Research Unit in its latest monthly Monitor claims that a spate of copper mine reactivations, announced in the wake of the recent rise in the metal price, will alter the balance of the copper market in the second half of 1979.

New nickel contract attacked

By Our Commodities Editor

THE NEW nickel futures contract, due to be launched by the London Metal Exchange on Monday, will almost certainly be a misleading indicator of the true state of the nickel market, according to Dr. Ivor Kirman, general marketing manager of Inco Europe.

Speaking in London yesterday, Dr. Kirman claimed that LME nickel prices would be distorted by a range of extraneous influence with a single price over-simplifying a complex product valuation.

He said that the benefits of LME trading were dubious to the consumer, and for the producer offered even less—little more than the service of opening drums and repacking them with a cost of several cents a pound for the privilege.

"There was a risk that the "very visible" LME price would be used by consumers to persuade producers to follow every downward trend during periods of over-supply, thus accelerating any price collapse.

Inevitably there would be pressure by producers' shareholders to follow any price rises with equal speed. As a result the gross fluctuation of the LME could eventually dominate the whole industry.

In the long term widely fluctuating prices would make the return from nickel mining highly unpredictable and discourage investment.

Shortages hit palm oil plans

KUALA LUMPUR—The Malaysian Government has frozen all fresh applications to set up palm oil refineries in view of the shortage of oil palm, Len Sip Hon, Deputy Trade and Industry Minister, said yesterday.

The decision was also taken because out of the 50 applications approved recently only 30 applicants succeeded in setting up refineries, he told a conference.

Lew said the only way Malaysia can increase its foreign exchange earnings is by increased processing of its raw materials into finished or semi-finished products for export.

Reuter

RAW MATERIALS SUPPLIES

W. German stockpile plans

BY ADRIAN DICKS IN BONN

SOME TIME in May, the West German Cabinet is likely to accept a recommendation from a group of top officials from half a-dozen ministries that it should give the go-ahead to a plan for building up the country's reserves of scarce raw materials.

The officials, known as the State Secretaries' Committee, have had the question under discussion for several years, starting from the general concern in the early 1970s that the success of OPEC in raising crude oil prices might encourage similar cartels among producers of other raw materials.

That danger has never materialised, yet in the meantime, German official planners have become convinced that they cannot afford to neglect the risks inherent in being dependent for several vitally important commodities on only one or two suppliers.

Specifically, that means South Africa. West German businessmen may remain convinced that UN sanctions, if they are ever enacted, could never be effective, but the Bonn Government does not want to take chances. Nor does it want to prejudice the outcome of patient efforts to improve its relations with the Third World, which have already suffered from Germany's deeply sceptical (although ultimately flexible) attitude towards the Unctad Common Fund.

In a preliminary report last autumn, the State Secretaries' Committee distinguished between long- and short-term policies to secure West Germany's access to raw materials. For the longer term, the Government already supports such efforts as substitution and recycling research, as well as helping towards the costs of exploration by West German mining companies.

It is also likely to give the nod to a Parliamentary backbencher's initiative to enact the world's first national legislation seeking to control and protect deep sea bed mining and prospecting.

For the short-term, the assumption is that stocks need to be built up to the equivalent of about a year's needs of each of a dozen raw materials judged to be vital to the smooth running of the economy.

Opinions vary as to the effects a sustained supply shortfall of any of these might have on the economy. A study of raw materials usage throughout the industrial sector prepared for the State Secretaries last year, however, concluded that under static conditions, and without allowing for emergency substitution or recycling, a 30 per cent shortfall of chrome imports over one year could bring about a drop of as much as 25 per cent of the entire gross national product.

While chrome is by far the most sensitive single item on the list, the Bonn Economics Ministry has also ascertained from surveys of user industries that manganese, tungsten, "blue" asbestos, natural rubber, platinum, antimony and cobalt mer cnsdritoiiie.2 et — cobalt merit consideration for a federally supported stockpile system. Users themselves would like to include four more rare metals, vanadium, molybdenum, titanium and niobium/tantalum.

The tenor of official German discussions underlines the traditional reluctance in Bonn to impose solutions on specialised branches of industry. The premise of the raw materials plan is that user companies themselves should have primary responsibility for building up and physically holding stocks, and that they should also carry the financial burden themselves for a volume equal to around four months' requirements.

The State Secretaries' report quotes current stock levels as varying from 22 days for manganese up to 97 days for chrome — figures that correspond roughly to the estimates of such major users as the special steels producers, although there is some suspicion that the industry tends in public to understate the position.

There now appears to be agreement within the German Government that the private sector cannot be expected to build up stocks much higher on its own resources, unless it is to be subjected to an additional competitive disadvantage at a moment when such industries as special steels are already fighting hard to keep up their share of the world market.

The details of Bonn's intervention remain to be fixed, with the autonomous Bundesbank, in particular, reserving its position on how exactly it might indirectly guarantee lines of credit in foreign exchange to companies holding stocks. However, it seems likely that the cabinet will opt for a system of contracts with individual companies in return for their agreeing to keep stocks up to agreed levels.

Assistance would probably be channelled through the Kreditanstalt für Wiederaufbau, the post-war reconstruction agency now transformed into an economic aid administration, and would probably take the form of loan guarantees and interest rate subsidies. If the Bundesbank provides some DM 700m-800m in loan guarantees, the Federal Finance Ministry would then take on the risk element inherent in price fluctuations of the commodities themselves, sharing in profits and losses and deciding when an emergency justified drawing down the strategic stocks.

German officials believe an arrangement of this sort would leave maximum flexibility in the hands of those who understand the market best—importers and users of raw materials—while protecting the general economic goals of output and employment in a crisis.

There is little enthusiasm in Bonn for such precedents as the U.S. stockpile, with its colossal current value of $9bn, its frequently overbearing influence on market prices, its bureaucratic structure and its (to Germans, at least) mystifying accumulation of such items as duck feathers.

NZ butter supplies 'to continue'

BY CHRISTOPHER PARKES

NEW ZEALAND'S foothold in the British market is strong enough to ensure that it will be allowed to send annual shipments of 70,000 to 80,000 tonnes of butter "well into the next decade" according to Lovell and Christmas, a leading dairy trading and distributing company.

Negotiations for renewed quotas are planned for this year to keep supplies coming after the present arrangements end in December next year.

British butter production will increase from 159,000 tonnes last year to 200,000 tonnes in 1980, the company said.

Consumption will stabilise and even increase a little, climbing back to a forecast 400,000 tonnes next year from 397,000 tonnes in 1978.

The progressive reduction in the import quotas allowed to New Zealand will make room in the market for some of the extra UK output, but the rest may have to be taken up by intervention support buying or sold outside the EEC to keep supplies in balance with demand.

A review of the market just published by Lovell and Christmas shows that next year imports and home production will total 475,000 tonnes, leaving a surplus of some 75,000 tonnes.

Danish, Irish and West German shippers are expected to increase their exports marginally while the Dutch will lose ground yet again.

In 1977 Britain imported 53,000 tonnes of butter from Holland. Last year this fell to 38,000 tonnes and the company foresees a further reduction to only 25,000 tonnes in 1980.

The company also expects some increase in supplies of margarine with imports and home production next year totalling 398,000 tonnes compared with 381,000 in 1978.

EEC stocks almost doubled

COMMON MARKET stocks of butter held in intervention stores and stockpiled privately with the aid of EEC subsidies are almost twice as high as a year ago.

Stocks at the end of March totalled 313,441 tonnes compared with 168,135 tonnes a year earlier.

Stocks of dried milk powder, however, have fallen 300,000 tonnes over the past 12 months and stood at 503,013 tonnes at the end of March.

West German stores hold the bulk of both "mountains." There are 166,000 tonnes of butter stocked in the Federal Republic and 372,000 tonnes of powder.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Rose sharply on the London Metal Exchange. After trading quietly in the morning forward metal moved ahead in the afternoon to touch £1,035 owing to Commission House short-covering and trade buying following the upsurge in gold and silver. However, towards the close the price eased a fraction to finish at £1,033. Turnover 51,750 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1004-.5	—4.25	1021-2	+28.5
3 months	1010-11	—3	1027-.5	+27½
Settl'm'nt	1004.5	—4.5	—	......
Cathodes				
Cash	1006-8	—2	1022-3	+28.5
3 months	1007-8	—2	1022-3	+28.5
Settl'm'nt	1008	—2	—	......
U.S. Smt.	—	......	*98-105.25	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £1,005, 4.5, three months £1,013, 11, 12, 11. Cathodes, three months £1,008. Kerb: Wirebars, three months £1,011, 1,010.5, 11, 12. Afternoon: Wirebars, three months £1,013, 14, 15, 14, 15, 16, 17, 18, 1,020, 19, 20, 27, 28, 26.5, 27, 28, 28.5, 29, 28.5, 29, 28.5, 28, 28.5, 28, 27.5, 27. Cathodes, three months £1,024, 23, 22.5. Kerb: Wirebars, three months £1,026, 27, 27.5, 28, 27.5, 28.5, 29, 30, 31, 32, 32.5, 33, 32, 33, 34, 34.5, 35, 34, 33.

TIN—Firmer in active trading. After opening higher at £7,000 owing to covering against overnight U.S. physical demand forward metal rose to £7,060 on bear covering before profit-taking pared the price to £7,010 on the morning kerb. In the afternoon the market edged up to £7,040 prior to closing at £7,030, reflecting renewed U.S. physical interest and fresh buying. Turnover 1,110 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7080-90	—32.5	7090-100	+85
3 months	7020-30	......	7030-40	+75
Settlem't	7090	—50	—	......
Standard				
Cash	7080-90	—32.5	7090-100	+85
3 months	7000-10	......	7030-40	+100
Settlem't	7090	—50	—	......
Straits. E.	‡$1945	......	—	......
New York	—	......		......

Morning: Standard, three months £7,010, 7,000, 7,005. Kerb: Standard, three months £7,000. Afternoon: Standard, three months £7,020, 10, 15, 10, 15. Kerb: Standard, three months £7,020, 30, 40, 50, 40.

LEAD—Rallied strongly in line with copper following the strength of the gold price. Forward metal traded in the £516-£24 range before closing on the late kerb at the latter price. Turnover 29,650 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	544-5	—1.5	546-7	+5.5
3 months	520-.5	+3.75	522-3	+5
Sett'ment	545	—1.5	—	......
U.S. Spot	—	......	*48	......

Morning: Cash £541, 46, three months £519, 18, 19, 20, 20.5. Kerb: Three months £520, 20.5, 21. Afternoon: Cash £546, three months £521, 22, 22.5, 23. Kerb: Three months £524, 23, 22.5, 23, 23.5, 23.

ZINC—Quietly firm. Forward material traded around £381 in the morning but gained ground in the afternoon to touch £387.5 before closing on the late kerb at £386.5. Turnover 2,025 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	371-.5	+2.5	375-.5	+6.75
3 months	383-.5	+2.5	386.5-7	+7.25
S'ment	373	+3	—	......
Prim.wst	—	......	*37.5-8.5	......

Morning: Three months £383, 84, 84.5, 84. Afternoon: Three months £384, 85, 87.5, 88, 87.5, 87, 86, 86.5. Kerb: Three months £387.5, 87.

ALUMINIUM—Higher, reflecting the firmer trend in other base-metals, with the contango eliminated and a backwardation established following a strong demand for cash metal. Turnover 8,000 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	732-3	—.5	742-4	+11.5
3 months	733.5-4.5	—3	741-.5	+5.5

Morning: Cash £731, three months £735, 34, 35, 33.5, 33, 32, 34. Kerb: Three months £734, 35. Afternoon: Three months £737, 38, 37.5, 38, 39, 38, 40, 39, 40, 41, 41.5. Kerb: Three months £740.5, 41, 42.

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

SILVER

Silver was fixed 3.25p an ounce higher for spot delivery in the London bullion market yesterday at 355.05p. U.S. cent equivalents of the fixing levels were: Spot 739.1c, up 5.1c; three-month 754.9c, up 4.8c; six-month 770.7p, up 3.9c; and 12-month 797.4c, up 4.9c. The metal opened at 353¾-354¾p (738-740c) and closed at 359½-361p (746-749c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. close	+ or —
Spot	355.05p	+3.25	360.1p	+10.1
3 months	363.85p	+3.40	369.15p	+10.3
6 months	372.2p	+3.50	—	......
12 months	386.9p	+4.00	—	......

LME—Turnover 431 (302) lots of 10,000 ozs. Morning: Three months 363.4, 63.5, 63.6, 63.8, 63.9. Kerbs: Three months 363.8, 63.7, 64, 64.1. Afternoon: Three months 365.3, 65.5, 66, 66.2, 66, 66.6, 65.5, 66.5, 66.6, 66.7, 66.5, 66.6, 66.7, 66.8, 69, 69.2. Kerbs: Three months 39.3, 9.5, 9.7, 9.9, 70, 05, 1, 1.5, 2, 2.5, 3, 3.5, 3, 2.8, 2, 1.8.

COCOA

Conditions were dull and prices were slightly higher by the close, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
May	1578.0-80.0	+28.0	1581.0-47.0
July	1549.0-50.0	+17.0	1554.0-30.0
Sept	1577.0-79.0	+19.5	1580.0-55.0
Dec	1647.0-49.0	+17.5	1650.0-30.0
March	1682.0-85.0	+16.5	1685.0-71.0
May	1706.0-10.0	+18.5	1706.0-92.0
July	1727.0-32.0	+18.0	1727.0-25.0

Sales: 2,841 (2,588) lots of 15 tonnes.

International Cocoa Organisation (U.S. cents per pound): Daily price April 17: 145.69 (146.22). Indicator prices for April 18: 15-day average 147.54 (147.82); 22-day average 148.87 (149.18).

COFFEE

After opening slightly higher as forecast Robustas consolidated in the recent price range through a dull and featureless morning, reports Drexel Burnham Lambert. In the afternoon trade buying influenced steadiness in the spot position while other months tended to ease lower in quiet conditions. Values finished £9.5 to £11.5 on the day.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1554-1555	+11.5	1555-41
July	1495-1597	—09.5	1510-95
September	1501-1503	—01.5	1508-02
November	1504-1505	—08.0	1516-05
January	1505-1508	—08.0	1517-08
March	1500-1503	—06.5	1511-07
May	1502-1506	+01.5	1506

Sales: 1,648 (1,695) lots of 5 tonnes.

ICO Indicator prices for April 17 (U.S. cents per pound): Colombian Mild Arabicas 140.50 (same); unwashed Arabicas 144.50 (same); Robustas ICA 1968 143.00 (143.50); Robustas ICA 1976 142.50 (143.00); other Mild Arabicas 139.08 (138.92). Composite daily average 136.15 (140.96).

RUBBER

ABOUT UNCHANGED opening on the London physical market. Fair interest throughout the day, closing on a firm note. Lewis and Peat reported a Malaysian godown price of 282 (282½) cents a kg (buyer, May).

No. 1 R.S.S.	Yesterday's Close	Previous Close	Business Done
May	62.10-62.25	61.06-61.15	62.25-61.00
June	65.70-65.90	62.40-62.60	65.08-62.80
Jy-Sept.	65.20-65.30	64.00-64.15	65.25-64.05
Oct-Dec	67.20-67.25	66.10-66.15	67.30-65.60
Jan-Mar	68.70-68.75	67.70-67.80	68.90-67.80
Apr-Jne	70.30-70.40	69.25-69.40	68.80-69.70
Jy-Sept.	71.80-72.10	70.98-71.08	—
Oct-Dec	73.40-73.50	72.45-72.50	73.45
Jan-Mar	75.10-75.15	74.20-74.50	75.20

Sales: 843 (116) lots of 15 tonnes, 103 (45) lots of 5 tonnes.

Physical closing prices (buyers) were: Spot 61p (60.25); May 65.25p (64.0); June 62.25p (64.0).

SOYABEAN MEAL

The London market opened with gains of £1 and moved steadily higher, particularly in nearby positions, reported T. G. Roddick. Nearby cash interest and firmer precious metals helped steadiness.

	Yesterday Close	+ or —	Business Done
	£ per tonne		
April	121.00-25.0	+2.5	—
June	125.10-25.2	+1.6	125.20-121.50
August	124.70-24.9	+1.25	126.00-124.40
October	123.00-24.0	+1.5	124.00-123.50
December	121.20-21.5	+0.5	122.00-121.50
February	125.00-25.4	+1.45	25.50
April	125.00-25.5	+1.6	—

Sales: 74 (58) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £93.00 (same) a tonne cif for March-April shipment. White sugar daily price was fixed at £100.00 (same).

Opening trades were around overnight levels but the market appeared to lack selling interest. Scattered short-covering developed and gains of some 125-150 points were recorded by the close, when prices reached the highs of the day, reported C. Czarnikow.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
May	99.70-99.75	97.50-97.55	99.75-97.00
Aug.	104.50-04.40	102.25-02.30	104.50-02.00
Oct.	108.30-08.40	106.30-06.40	108.45-06.00
Dec	112.25-12.30	110.25-10.30	112.25-10.00
March	116.40-16.50	114.65-14.85	116.50-14.25
May	119.00-19.75	117.00-18.00	118.75
Aug.	121.25-22.25	120.00-21.50	121.50

Sales: 3,274 (3,241) lots of 5 tonnes.

* Tate and Lyle ex-refinery price for granulated basis white sugar was £279.50 (same) a tonne for home trade and £162.50 (same) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Price for April 13: Daily not available (7.78): 15-day average not available (8.21).

WHITE SUGAR—Close (in order buyer, seller, business, sales). July 102.80, 102.90, 130.00-101.00, 37; Sept. 107.10, 108.20, nil, nil; Nov. 112.25, 112.50, 111.90, 3; Feb. 119.25, 120.50, nil, nil; April 122.50, 124.50, nil, nil; July 124.50, 128.50, nil, nil; Sept. 128.00, 134.50, nil, nil. Sales: 40.

GRAINS

	WHEAT		BARLEY	
M'nth	Yesterday's close	+ or —	Yesterday's close	+ or —
May	101.90	......	97.65	—0.1
Sept.	92.65	—0.4	87.95	+0.6
Nov.	96.50	—0.5	90.10	—0.35
Jan.	98.85	—0.4	93.45	—0.3
Mar.	101.70	—0.4	96.35	—0.25

Business done—Wheat: May 101.90-101.75, Sept. 92.90-92.65, Nov. 96.90-95.50, Jan. 99.05-98.90, March 101.90-101.70. Sales 152. Barley: May 97.65-97.40, Sept. 87.05-86.95, Nov. 90.20-90.10, Jan. 93.45-93.45. March nil. Sales 98.

LONDON FUTURES (GAFTA)—Grains opened 10-20p lower. Old crop wheat remained steady with good support on any dips to close unchanged on the day. May Barley came under some selling pressure initially but good support was seen at 35p lower and the market rallied in the afternoon to close 10p down. New crops again saw selling pressure particularly on nearbys and values eased 40-50 on wheat in reasonable trading conditions and 25-40 on barley in thin volume, Acli reported.

HGCA—Location ex-farm spot prices. Other milling wheat: Essex 102.00. Feed barley: Shropshire 97.10.

The UK monetary coefficient for the week beginning April 23 (based on HGCA calculations) is expected to decrease to 1.194.

IMPORTED—Wheat: CWRS No. 1, 13½ per cent, unquoted. U.S. Dark Northern Spring No. 2, 14 per cent, April/mid-May 83.25, May 81.50, June 80.75, transhipment East Coast. U.S. Hard Winter, 13½ per cent, unquoted. EEC unquoted. Maize: U.S./French May 111.50, transhipment East Coast. South African White unquoted. South African Yellow May 77.00 nom. Barley: English feed fob May 101.25, June 102.50, Oct., Dec. 92.75, Jan.-March 97.25. East Coast.

EEC IMPORT LEVIES—The following levies and premiums are effective for April 19 in order of current levy plus May, June and July premiums (with previous in brackets) all in units of account per tonne. Common wheat: 105.62, 3.26, 3.26, 4.01 (105.62, 4.01, 4.01, 4.38). Durum wheat: 160.62, 0.37, 0.37, 1.89 (169.27, 1.50, 1.50, 3.80). Rye: 105.59, nil, nil, 14.2 (106.71, rest nil). Barley: rest nil (106.15, rest nil). Oats: rest nil (104.96, rest nil). Maize (other than hybrid for seeding): rest nil (94.18, rest nil). Buckwheat: rest nil (0.80, rest nil). Millet: rest nil (97.44, rest nil). Grain sorghum: rest nil (103.43, rest nil). Flour Levies: Wheat or mixed wheat and rye flour: (162.30). Rye flour: (163.81).

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on April 18. GB—Cattle 73.16p per kg.l.w. (+1.29). UK—Sheep 189.5p per kg.est.d.c.w. (+12.9). GB—Pigs 58.2p per kg.l.w. (—0.9). England and Wales: Cattle numbers down 14.7 per cent, average price 73.94p (+1.15). Sheep up 10.6 per cent, average 189.5p (+13.1). Pig up 5.0 per cent, average 58.2p (—0.9). Scotland: Cattle down 24.8 per cent, average 70.92p (+1.40). Sheep down 92.9 per cent, average 189.2p (+6.8). Pig up 8.7 per cent, average 59.0p (—1.7).

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 54.5 to 59.0: Eire hindquarters 73.0 to 75.0, forequarters 36.0 to 40.0.

Veal: Dutch hinds and ends 84.0 to 98.0.

Lamb: Imported frozen—NZ PL new season 49.0 to 50.0, PM new season 48.0 to 49.0.

Hoggets: English 36.0 to 76.0; Scottish 36.0 to 76.0.

Pork: English, under 100 lb 36.5 to 45.0, 100-120 lb 36.0 to 43.5, 120-160 lb 34.0 to 42.0.

COVENT GARDEN—Prices in sterling per package except where otherwise stated. Imported produce: Oranges—Spania: Bloods 3.00-3.10; Israeli: Shamouti 4.40-5.50; Cypriot: 3.50-4.30; Moroccan: Valencia Lates 4.00-4.20. Ortaniques — Jamaican: 8.25-8.75. Lemons—Italian: 120's 4.80-5.00; Cypriot: Trays 3.40-4.30; Spania: Trays 30/40/45 1.50-2.20, boxes 4.40. Grapefruits—Cypriot: 2.50-4.20; Israeli: Jaffa 27/88 3.45-4.25. Apples—S. African: Dunn's 5.80, Golden Delicious 6.80-7.00, Starking 7.00-7.50, Jonathan 5.50-6.50; French: Golden Delicious (40 lb) 138/175's 3.30-4.40, (20 lb) 72's 1.80-2.00, 84's 1.60-1.80, (jumble pack) per pound 0.08-0.10. Starkrimson (40 lb) 138/198's 4.00-5.20, (20 lb) 84's 1.90-2.20, 72's 2.30-2.40, (jumble pack) per pound 0.08, Starking (40 lb) 150/175's 3.60-5.00; Italian: Granny Smith per pound 0.12, Romex 0.11-0.12; Washington: Red Delicious 40 lb 7.50-10.00; New Zealand: Cox's 175's 8.20-8.50; Chilean: Granny Smith per box 163's 7.60-7.80. Pears—S. African: Cases 40 lb Packham's 8.80, Beurre Bosc 6.80; cartons Winter Nelis 6.00-6.20, Packham's 6.40-7.00, Beurre Hardy 6.20-6.50, Beurre Bosc 5.80-6.20; Italian: Passacrassene trays 14 lb 2.20-2.40. Plums—S. African: Per pound Songold 0.35-0.40, Golden King 0.35-0.42. Bananas—Jamaican: Per 28 lb 3.80-4.00. Grapes—S. African: Cartons, Waltham Cross 5.30, Barlinka 5.00, Golden Hill 6.00, New Cross 6.00; Chilean: Almeria 5.50, Red Emperor 5.20. Avocados—Israeli: 3.50-3.60; S. African: 4.20-4.40. Onions—Dutch: 1.60-2.40; S. African: 22 lb 1.50; Italian: 22 lb 1.50; Hungarian: 55 lb 2.40; Polish: 55 lb 2.50-3.50; Chilean: 4.80-5.80. Tomatoes—Canary: 1.00-2.50; Jersey: Per pound 0.30-0.35; Dutch: 0.30-0.35. Cucumbers—Dutch: 12/16's 2.40-2.60. Cauliflowers—French: 24's 7.00; Jersey: 5.00-6.00. Cabbages—Dutch: White, net 6.20-7.00. Potatoes—Canary: 25 kg 4.00-4.30; Egyptian: 50 lb 4.00-4.20, Cypriot: 4.50. Capsicums—Canary: 5 kg 3.50-4.00; Cuban: 3.50; Dutch: 5.40.

English Produce: Potatoes—Per 25 kg 2.20-2.60. Lettuce—Per 12 round 1.50-1.60. Mushrooms—Per pound 0.30-0.50. Apples—Per pound Bramley 0.05-0.10; Cox's Orange Pippin 0.08-0.20; Laxtons 0.04-0.06. Pears—Per pound Conference 0.12-0.18. Beetroot—Per 28 lb 1.00-1.10. Carrots—Per 28 lb 1.80-2.00. Onions—Per 28 lb 1.50-2.50. Rhubarb—Per pound outdoor 0.10-0.12. Tomatoes—Per pound 0.30-0.35. Swedes—Per 28 lb 1.20-1.30. Turnips—Per 28 lb 1.20-1.30. Parsnips—Per 28 lb 1.20-1.40. Cucumbers—Tray 12/18's 2.00-2.40. Cauliflowers—12's 3.00-3.50.

PRICE CHANGES

In tonnes unless otherwise stated.

	Apr. 18 1979	+ or —	Month ago
Metals			
Aluminium	£710	......	£710
Free Mkt (cs)	$1,540-60	......	$1,500/20
Copper			
Cash w'bar	£1,021.5	+28.5	£1,022.5
3 mth „	£1,027.25	+27.75	£1,039.5
Cash Cathode	£1,027.5	+28.5	£1,015.5
3 mth „	£1,025.5	+28.5	£1,032.5
Gold troy oz	$237.875	+5.75	$240.625
Lead cash	£546.5	+5.5	£569.5
3 mth	£522.5	+5.0	£537.25
Nickel	£2750.09	......	£2,525.14
Freemkt(cif)(lb)	255/65c	......	225/35c
Platin'm tr'y oz	£159	......	£164.5
Free mkt	£186.85	+3.05	£196
Quicksilver	$255/65	......	$250/60
Silver troy oz	355.05p	+3.25	362.5p
3 months	363.85p	+3.40	371.9p
Tin cash	£7,095	+85.0	£7,375
3 mths	£7,035	+100.0	£7,285
Tungsten	$137.32	......	$137.51
Wolfrm 22.04 cif	$132/36	+1.0	$138/43
Zinc cash	£375.25	+6.75	£392.25
3 months	£386.75	+7.25	£404.25
Producers	$800	......	$800
Oils			
Coconut (Phil)	$1,140y	+40.0	$1,012.5
Groundnut	‡		‡
Linseed Crude	£405	+5.0	£435
Palm Malayan	$664.5x	+4.5	$684
Seeds			
Copra Philip	$735q	+5.0	$680
Soyabean (U.S.)	$308.5z	+8.5	$317.65
Grains			
Barley Futures	£86.95	—0.4	£95.45
Maize			
French No 3 Am	111.50r	......	£109
Wheat			
No. 1 Red Spg.	‡	......	‡
No2 Hard Wint	‡	......	£90.5
Eng. Milling †	£101.5	......	£103.5*
Other commodities			
Cocoa ship't	£1,625	+56.0	£1,708
Future July	£1,549.5	+17.0	£1,667.5
Coffee F't'r July	£1,496.5	—9.5	£1,436
Cotton A'index	78.85c	—0.65	75.5c
Rubber kilo §	61p	+0.75	59.75p
Sugar (Raw)	£93	......	£103.5
Wooltp's 64s kl	286p	......	290p

* Nominal. † New crop. ‡ Unquoted. p April-May. q May-June. r May. s June-July. April-June. u June. x Per ton. z Indicator. § Buyer.

WOOL FUTURES

LONDON GREASY—Close (in order buyer, seller): May 240.0, 245.0; July 247.0, 253.0; Oct., Dec., March, May, July and Oct. all 250.0, 255.0. Sales nil.

NEW ZEALAND CROSSBREDS—Close (in order buyer, seller): May 194.0, 198.0; July 196.0, 200.0; Oct. 198.0, 201.0; Dec. 201.0, 205.0; March, May, July and Oct. all 201.0, 207.0. Sales nil.

SYDNEY GREASY—Close (in order: buyer, seller, business, sales). Micron Contract: May 398.7, 397.5, 399.0-396.5, 40; July 405.5, 407.0, 408.0-405.0, 13; Oct. 405.0, 406.0, 406.0-403.0, 28; Dec. 405.0, 405.5, 406.0-403.5, 23; March 408.0, 409.5, 409.1-408.0, 8; May 409.1, 410.0, 409.5-409.1, 10; July 411.0, 412.5, nil, nil; Oct. 410.0, 414.5, nil, nil. Sales: 122.

★

LIVERPOOL COTTON—No spot or shipment sales were recorded in Liverpool, leaving a total for the week so far at 74 tonnes. Slow offtake draws relatively little demand. Minor orders concerned Central American and various African qualities.

★

GRIMSBY FISH—Supply good, demand fair. Prices at ships side (unprocessed) per stone: Shelf cod £4.00-£4.50, codlings £2.50-£3.20; large haddock £4.20-£4.60, medium £3.50-£4.20, small £2.50-£3.40; large plaice £3.50, medium £3.50-£4.00, best small £3.00-£3.80; large skinned dogfish £10.00, medium £6.00; large lemon soles £8.00, medium £6.50; saithe £2.20-£3.00.

AMERICAN MARKETS

NEW YORK, April 17.

Cocoa—May 137.25 (138.40), July 140.00 (140.90), Sept. 142.60, Dec. 145.85, March 147.95, May 149.25, July 150.55, Sept. unquoted. Sales: 669.

Coffee—"C" Contract: May 142.00 (142.25), July 144.00-144.25 (142.29), Sept. 146.00-146.25, Dec. 146.50, March 145.00-145.50, May 146.00-146.25, July nil. Sales: 963.

Copper—April 93.00 (93.40), May 93.15 (93.50), June 93.80, July 94.40, Sept. 94.30, Dec. 94.25, Jan. 94.25, March 94.10, May 94.00, July 93.90, Sept. 93.80, Dec. 93.65, Jan. 93.60.

This edition went to press before the latest U.S. market reports were received.

Cotton—No. 2: May 58.50 (60.50), July 59.93 (61.93), Oct. 61.35, Dec. 61.30-61.35, March 62.80-63.00, May 63.95-64.30, July 65.00-65.10, Oct. 65.25-65.75. Sales: 10,050.

*Gold—April 233.40 (230.80), May 234.20 (231.80), June 235.60, Aug. 239.70, Oct. 243.80, Dec. 248.10, Feb. 252.30, April 256.50, June 260.70, Aug. 264.90, Oct. 269.20, Dec. 273.50, Feb. 277.80.

*Platinum — April 382.50-384.00 (377.40), May 378.90-379.10 (374.50), June 378.40-378.60, July 374.00-375.00, Oct. 373.50-374.00, Jan. 376.00-376.50, April 378.10-378.30, July 381.30-381.50, Oct. 383.80-384.00.

Potatoes (round whites)—Nov. 61.0 (60.9), March 69.8 (68.7), April unquoted, May 82.4-82.5. Sales: 133.

¶Silver—April 739.50 (728.20), May 742.00 (731.00), June 747.50, July 752.90, Sept. 763.00, Dec. 777.40, Jan. 782.00, March 791.50, May 801.00, July 810.60, Sept. 820.20, Dec. 834.70, Jan. 839.40. Handy and Harman Spot 727.50 (730.50).

Sugar—No. 11: May 7.76 (7.81), July 8.20 (8.24-8.25), Sept. 8.57, Oct. 8.70, Jan. 9.05, March 9.41, May 9.61, July 9.84, Sept. 10.03.

CHICAGO, April 17.

Lard—Chicago loose 28.00. New York prime steam 28.00 (27.50 traded).

Live Cattle—April 79.35-79.25 (78.90), June 77.90-78.00 (77.45), Aug. 75.55-75.50, Oct. 73.00-73.20, Dec. 73.15-73.20, Jan. 73.35-73.05 asked, Feb. 73.10-73.15, April 73.35-73.20, June 73.87 asked, Aug. 73.50. Sales: 32,948.

Live Hogs—April 47.60-47.70 (48.[illegible]), June 49.90-49.85 (49.45), July 50.25-50.20, Aug. 46.85-46.95, Oct. 43.80-43.90, Dec. 44.00, Feb. 43.95 asked, April 41.72 asked, June 43.15 asked. Sales: 8,715.

‡‡Maize—May 255¼-255½ (253), July 260-259½ (257), Sept. 262¼-262½, Dec. 265½-266, March 273-273½, May 278¾.

Plywood—May 202.4 (202.2), July 205.2 (205.2), Sept. 205.3, Nov. 204.3, Jan. 205.8, March 206.5, May 206.5 bid, July 206.5 bid, Sept. 206.5 bid.

Shell Eggs—April 54.50 (54.45), May 52.55-52.60 (52.45), June 53.30, July 55.00 bid, Aug. 55.10 bid, Sept. 61.25-61.30 bid, Oct. nil, Nov. nil, Dec. 63.10. Sales: 184.

Silver—April 738.9 (726.1), May 742.0 (728.7), June 748.0-748.5, Aug. 759.0-759.4, Oct. 768.5, Dec. 778.0, Feb. 787.5, April 798.0, June 807.5, Aug. 817.0, Oct. 827.0, Dec. 837.0 nom., Feb. 847.0, April 857.0, June 867.0, Aug. 877.0, Oct. 887.0 nom., Dec. 897.5 nom.

‡Soyabeans—May 739-738 (725¾), July 751-752½ (737½), Aug. 748½, Sept. 717, Nov. 698-698½, Jan. 707½, March 717, May 724½.

||Soyabean Meal—May 194.00-193.80 (192.40), July 198.50-198.10 (196.80), Aug. 198.30, Sept. 196.50-196.80, Oct. 191.20, Dec. 190.40-190.00, Jan. 190.50-191.00, March 194.00-194.50.

Soyabean Oil — May 26.40-26.44 (25.76), July 26.65-26.60 (25.98), Aug. 26.80, Sept. 26.00, Oct. 25.45-25.40, Dec. 25.05-25.10, Jan. 25.00, March 25.00-24.95, May 24.95, July 24.95-24.85.

‡Wheat—May 341¾-342 (336½), July 328¾-329 (324¼), Sept. 331½-331¾, Dec. 341½-341¾, March 351, May 354½.

WINNIPEG, April 17. §Rye—May 104.10 (104.00 bid), July 103.30 bid (102.30 bid), Oct. 104.40 asked, Dec. 103.60 bid.

§Barley—May 86.10 asked (85.10 bid), July 85.80 bid (84.90), Oct. 88.80 bid, Dec. 88.40 asked, March 89.30 asked.

§Oats—May 84.50 (83.40), July 82.20 (81.20), Oct. 85.20 bid, Dec. 84.50 bid, March 85.60.

§Flaxseed—May 328.50 bid (325.80 asked), July 325.00 bid (321.80 asked), Oct. 316.50 bid, Nov. 308.00 bid, Dec. 304.80 bid.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence, 179.75 (187.40).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. ‡ Cents per 60-lb bushel. || $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

EUROPEAN MARKETS

ROTTERDAM, April 18.

U.S. No. 2 Dark Hard Winter wheat 13.5 per cent unquoted. U.S. Hard Winter wheat ordinary April $153, May $153, June $152, July $150, Aug. $150. U.S. No. 2 Red Winter wheat June $147, July $144, Aug. 145. U.S. No. 2 Northern Spring wheat 14 per cent April/mid-May $54, May $151, June $150, July $148.25.

Maize—U.S. No. 3 Corn Yellow all $128, April $127/127.50, May $128.50, June $126.50, July/Sept. $125.75, Oct./Dec. $127, Jan./March $133. Rye—U.S. No. 2/Canadian Western unquoted. Oats—all unquoted. Sorghum: Argentine/U.S.—Spot $120, mid-April/mid-May $111, May $112, June $113. Barley: 1/2 Canadian feed April $111.50, May $111.50.

PARIS, April 18.

Cocoa (FFr per 100 kilos): May 1365/1368, July 1368/1390, Sept. 1411/1415, Dec. 1441/1447, March 1445 bid, May 1450 bid. Sales at call three. Accumulative total 71.

Sugar (FFr per 100 kilos): July 900/905, Aug. 922/930, Oct. 975/988, Nov. 972/990, Dec. 1015/1025, March 1052/1065, May 1068/1085, July 1085-1100. Sales at call nil.

INDICES

FINANCIAL TIMES

Apr. 17	Apr. 16	M'nth ago	Year ago
272.30	272.23	273.90	240.72

(Base: July 1, 1952=100)

MOODY'S

Apr. 17	Apr. 16	M'nth ago	Year ago
1046.7	1048.5	1064.9	906.1

(December 31, 1931=100)

DOW JONES

Dow Jones	Apr. 17	Apr. 16	Month ago	Year ago
Spot	382.27	385.68	381.04	361.15
F'tur's	383.66	384.97	385.46	352.18

(Average 1924-25-26=100)

REUTERS

Apr. 18	Apr. 17	M'nth ago	Year ago
1542.5	1540.2	1564.2	1445.9

(Base: September 18, 1931=100)

PUBLIC NOTICES

BATH CITY COUNCIL BILLS

[illegible]

CITY OF LIVERPOOL BILLS

[illegible] JOHN HILL, Treasurer of the City.

DERBY CITY COUNCIL BILLS

[illegible]

GREAT GRIMSBY BOROUGH COUNCIL BILLS

[illegible]

IPSWICH BOROUGH COUNCIL BILLS

[illegible]

Government stocks suffer from pre-election nerves and fall £1⅛—Equities follow after steady start

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 26	Apr. 5	Apr. 6	Apr. 18
Apr. 9	Apr. 19	Apr. 20	May 7
Apr. 23	May 3	May 4	May 15

* "New time" dealings may take place from 9.30 am two business days earlier.

A bout of pre-election nervousness was held largely responsible for widespread easiness in Gilt-edged securities yesterday, although the marked reaction in the sterling exchange rate was another adverse factor. The sharp decline in the funds sent ripples into most sections of stock markets which remained generally in post-holiday mood with official markings totalling less than 4,000.

The pressure on Gilts was relatively light but, with buying incentive lacking, the market became sensitive and backed down on persistent small offerings said to be from public holders. Longer-dated stocks sustained losses stretching to a point and sometimes more, while the recently-issued medium-life Exchequer 11 per cent 1991 (£15-paid), over-subscribed only last Thursday, slipped to its lowest yet of £14¼, or ¾ discount on the issue price.

Shorter issues suffered similarly but the losses here were limited to a maximum of 5/16. Following his refusal on Tuesday to accept bids in excess of £94 for supplies of Variable 1983, the Government broker accepted a bid of £94¼ and, as a consequence, the two other Variable issues hardened slightly.

Equity dealers kept a close eye on events in Gilt-edged but sentiment was little affected until scattered selling of leading shares was motivated by the lack of any recovery in the funds. The ICI chairman's remarks about rising costs and shrinking margins had little noticeable impact, the price settling unchanged on balance at 398p, but some used his warning to explain a late-morning hastening in the general downdrift.

Losses of a few pence among leading industrials were often doubled and the F.T. 30-share index, only 0.1 off at the first calculation of the day, closed at the lowest with a fall of 4.5 at 534.4. Official bargains amounted to 3,929 as against the previous day's 4,115.

Still awaiting details of the Hudson's Bay bid situation, the day in the investment currency was again uneventful and, despite the reaction in sterling, rates edged a shade lower to 53 per cent. Yesterday's SE conversion factor was 0.8169 (0.8138).

Traded options attracted 1,365 contracts, marginally lower than the previous day. Courtaulds were the most active stock with 286 deals while other lively counters included ICI, 227, and Grand Metropolitan, 156.

London Scottish up

London Scottish Finance stood out with a rise of 6 to a 1979 peak of 52p following persistent speculative buying in a thin market. Elsewhere, the nine-monthly figures from **Standard** *Chartered were deemed satisfactory* and the price rose 6 to 484p. **Hambros** dipped 6 to 268p and **Keyser Ullmann** relinquished 3 to 75p. In front of today's preliminary figures, Clive softened 2 to 107p. Leading home banks closed with falls ranging to 5.

Insurances plotted an irregular course in thin trading. A firm market of late following the excellent results and share slimming proposals, **Hambro Life** added 5 more to 615p, while **Provident** advanced 8 to 158p. **Sun Life** closed a penny cheaper at 131p after the results.

Leading Breweries drifted lower in quiet business. **Guinness** shed 3 to 206p and **Whitbread**, 2 to 137p. Among secondary issues, **Belhaven** hardened 2 to 53p despite the delay in paying the interim dividend due to a court officials' dispute in Scotland. Still awaiting further news of Mr. James Goldsmith's intentions towards the company, **Amalgamated Distilled Products** added 2 to 41p.

Leading Building issues drifted gently lower in the general absence of investment enthusiasm, but certain secondary issues responded to the appearance of a few cheap buyers in the late trade. **Watts Blake Bearne** recorded a gain of 7 to 135p and **Y. J. Lovell** improved 8 to 138p, while **Leyland Paint** added another 4 to 151p. Down 25 on Tuesday on the news that discussions with Marshalls (Halifax) had been terminated, **Wettern Brothers** rallied 6 to 111p and, still reflecting the annual results, **Brown and Jackson** added 13 for a two-day gain of 30 to 500p. A withdrawal of recent speculative support left **Parker Timber** 12 cheaper at 153p.

After having been a couple of pence higher ahead of reports from the company's AGM, ICI subsequently reverted to unchanged at 398p. Still a depressed market by the downward revision of profit estimates by analysts, **Fisons** shed another 14 to 286p. Despite the *chairman's none-too-optimistic* statement about current trading, **Bernard Wardle** improved a penny to 33p.

Woolworth lower

News that its American parent company has continued its defence against the unwanted bid by Brascan by entering into takeover discussions of its own with Revco D.S., a chain of discount drug stores, prompted a fall of 4 to 81p in **Woolworth**. Other Store leaders moved in a similar direction on lack of support. Elsewhere, buying ahead of tomorrow annual results left **Liberty** 9 higher at 203p and the N/V 6 up at 190p. Still reflecting Press comment, **Forminster** added 4 to 172p, while renewed demand in a thin market left **Lee Cooper** with a similar rise at 292p. The sharp increase in taxable profits of **Harris Queensway** had already been well discounted and the shares softened 2 to 242p. Comment on the disappointing results prompted a further fall of 6 to 199p in **Currys**, while profit-taking left **MFI** 10 down at 375p. **W. L. Pawson** fell 4 to 70p.

Leading Electricals succumbed to light selling. **GEC** fell 7 to *412p, after 409p, while Plessey* slipped 3 to 107p. Recently firm **Pye** gave ground on profit-taking, losing 7 to 105p, while **Decca** also turned dull with the **Ordinary** easing 10 to 415p and the A 11 to 392p. **Dreamland**, 48p, recovered a penny of Tuesday's fall of 3 which followed the results.

The main movements in an otherwise lethargic Engineering sector were usually in response to trading statements. **Wadkin** fell 7 to 165p on the disappointing results and **Senior** declined 2 to 25½p for a similar reason. **Delta Metal**, however, improved 1¼ to 81p folowing the good annual figures and **Martoniar** hardened 2 to 220p on satisfaction with the first-half outcome. The leaders remained quietly dull. **John Brown** eased 6 off at 555p while **Hawker**, 254p, and **Vickers**, 196p, lost 4 apiece.

British Sugar benefitted from publicity given to a broker's review and added 2 to 154p, but the trend among other Foods was to lower levels. **Northern**, 120p, and **Associated Biscuits**, 86p, both eased 3, while Tate *and Lyle relinquished 4 to 150p*.

Leading Hotels and Caterers passed a quiet session and finished marginally lower. Elsewhere, fresh speculative demand lifted **De Vere** to 253p at one stage, but a subsequent bout of profit-taking left the price just 2 higher on balance at 245p.

Sothebys dull

Quietly dull conditions prevailed in the miscellaneous industrial leaders. Quotations opened easier then drifted lower in sympathy with gilts. **Pilkington** closed with a fall of 7 to 383p and **Rank Organisation** declined 6 at 276p. Elsewhere, adverse comment prompted a fall of 7 to 348p in auctioneers **Sothebys**, while **Christies International** eased a penny to 145p in sympathy. **William Baird** gave up 5 to 200p, after 198p, in reaction to the disappointing profits and the cautious statement on prospects. **Norman Hay** gave up 4 to 64p, also following uninspiring trading news, while profit-taking after the previous day's jump of 12½ on the good results and proposed five-for-three scrip-issue clipped 4 from **Reed Executive** at 130p. **European Ferries**, still responding to favourable comment *and* with preliminary results due on May 8, attracted *fresh* support and closed 5 to the good at 170½p. **Extel**, which also report annual results sometime next month, added 8 to 170p, while improvements of around 6 were recorded in **J. Billam, 50p, Caplan Profile,** *240p, and* **J. Hewitt**, *38p*.

Motors displayed a mixed appearance. **Heron**, boosted by potential benefits from their Suzuki dealership, rose 4 to 56p, while **C. D. Bramall** added a like amount to 94p on the annual results and confident statement n future trading. Lack of interest among recently firm Distributors left selected issues slightly lower. **Dunlop** shed a penny to 70p in front of today's preliminary statement, but **Supra**, also due to report today, put on that amount to 59p.

Among idle Newspapers, **Pearson Longman** put on 2 at 253p following the 19 per cent increase in pre-tax profits, while **Portsmouth and Sunderland** responded to further demand in a thin market and put on 7 for a two-day gain of 13 to 105p.

A couple of pence easier in immediate reaction to the loan stock fund-raising operation, **Slough Estates** subsequently reverted to unchanged on balance at 170p helped by the dividend forecast. Other Properties displayed scattered losses on lack of interest. Among the leaders, **Land Securities** shed 4 to 292p. **Laing Properties** eased 5 to 148p and **County and District** slipped 4 to 180p.

Oils drift

Despite the new crude oil agreements with Iran, leading *Oils continued lower* in light trading. **British Petroleum** slipped 10 to 1188p and **Shell** eased 6 to 738p. Annual profits well up to market estimates gave a fillip to **Burmah** which added 2 to 127p, after 128p. Elsewhere, **Candecca** firmed 6 to 66p in response to favourable Press *mention*.

Reflecting Tuesday's offer for **Debenture Corporation**, Investment Trusts displayed small gains on hopes of further bids in the sector. In Financials, **S. Pearson** 277p, improved a couple of pence on the increased profits and dividend.

Reardon Smith again featured Shippings, rising 5 in a restricted market for a two-day gain of 17 at 95p.

In barely-tested Textiles, **Bond Street Fabrics** firmed 2½ to 46½p on bid rumours; Grovebell have built up a 17.9 per cent holding in the company. A good market last week on the results, **Small and Tidmas** were again in demand and add ed9 to 105p. **Dawson International**, in contrast, encountered selling and gave up 6 to 111p.

Golds advance

Already a firm market reflecting the satisfactory outcome of Tuesday's U.S. Treasury gold auction, South African Golds were given an additional fillip by news that the U.S. is to halve the amount of gold offered at further auctions.

The news lifted the bullion price $5.75 to $237.875 an ounce and produced a 7.3 gain in the Gold Mines index to 137.2. The ex-premium index rose 6.4 to 112.1.

Most of the early demand for Golds came from Johannesburg, the Continent and London with the late buying emanating from the U.S.

Among heavyweights, **Randfontein** advanced £2¾ to £25 while **Western Holdings** rose £1½. Rises of a point were common to **Vaal Reefs** and **West Driefontein** at £13¾ and £18¼ respectively.

Medium and lower-priced stocks showed **St. Helena** 52 higher at 655p, **Southvaal** 25 firmer at 466p and **Western Areas** 10 up at 119p.

South African Financials mirrored Golds. **Anglo American Corporation** recovered all of the previous day's loss to close 11 better at 335p, while **Union Corporation** closed a like amount to the good at 324p. The profit *recovery* at the Prieska base-metals mine lifted **Middle Wits** 10 to 240p.

prompted a good demand for **Gold Fields** which put on 5 to 232p. **Charter** closed 2 firmer at 165p. **Rio Tinto-Zinc** were marked up 5 to 310p in front of the 1978 results expected today.

A rally in the free market Platinum price saw Platinums move ahead strongly; **Impala** rose 12 to 182p and **Lydenburg** 3 to 84p.

The sharp rise in Golds ground in line with overnight Sydney and Melbourne markets.

Australians lost further *New lows for 1979* were registered by **BH South**, 4 off at 92p, **Conzinc Riotinto**, 8 down at 230p and **Peko-Wallsend**, 2 easier at 330p.

Elsewhere, **Consolidated Murchison** put on 25 to 260p in response to the improved profits in the March quarter.

FINANCIAL TIMES STOCK INDICES

—	April 18	April 17	April 12	April 11	April 10	April 9	A year ago
Government Secs.	74.92	75.66	75.84	75.80	75.80	75.32	72.16
Fixed Interest	77.00	77.34	77.25	77.11	76.79	76.58	75.20
Industrial	534.4	538.9	541.9	538.7	536.7	531.4	461.6
Gold Mines	137.2	129.9	134.1	144.2	144.1	146.4	141.1
Gold Mines (Ex-$ pm)	112.1	105.7	108.4	116.5	117.9	118.9	94.0
Ord. Div. Yield	5.42	5.38	5.35	5.38	5.40	5.42	5.84
Earnings, Yld. % (full)	14.48	14.38	14.31	14.28	14.28	14.38	17.25
P/E Ratio (net) (*)	8.89	8.96	9.00	8.95	8.91	8.85	8.90
Dealings marked	3,929	4,115	4,399	4,493	4,834	5,024	4,568
Equity turnover £m.	—	63.16	136.45	97.67	93.82	108.51	68.73
Equity bargains total	—	13,090	25,181	13,456	16,902	21,900	14,301

10 am 538.8. 11 am 538.7. Noon 537.1. 1 pm 536.5. 2 pm 535.9. 3 pm 535.0.
Latest Index 01-246 8026.
*Nil 8.56.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex $ premium index started June, 1972. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1979 High	1979 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.84 (12/4)	64.64 (8/2)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.34 (17/4)	68.03 (13/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	541.9 (12/4)	446.1 (12/2)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	183.8 (6/2)	129.9 (17/4)	442.3 (22/5/75)	43.5 (28/10/71)
Gold Mines (Ex-$ pm)	125.6 (26/3)	95.2 (12/1)	337.1 (3/4/74)	54.3 (25/6/75)

S.E. ACTIVITY

	April 18	April 17
—Daily		
Gilt Edged	96.5	119.9
Industrials	143.6	146.4
Speculative	30.6	24.6
Totals	89.4	93.7
5-d'y Av'r'ge		
Gilt Edged	103.2	101.9
Industrials	160.5	170.9
Speculative	28.5	29.3
Totals	99.1	104.1

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 18	Apr. 30	Jul. 12	Jul. 24
May 1	May 14	Jul. 26	Aug. 7
May 15	May 29	Aug. 9	Aug. 21

For rate indications see end of Share Information Service.

Increased activity in the option market saw calls dealt in Baker Perkins, Premier Oil, S. and W. Berisford, M. F. North, Newman Inds., Grand Met., GEC, London and Northern, Leyland Paint, Peachey, Bambers, Eva Inds., Spillers, Morris and Blakey A, W. H. Smith A, Tootal, Wadham Stringer, Ladbroke Warrants, Danae Investment Trust Warrants, Scottish and Newcastle, New Throgmorton Warrants, Manganese Bronze, Burmah, Celtic Haven, Talbex, European Ferries, BP, French Kier, Youghal Carpets, and UDT. No puts were reported, but Baker Perkins were dealt for a double option.

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	4	79	—
Corpns., Dom. and Foreign Bonds	3	21	40
Industrials	238	342	936
Financial and Prop.	61	91	358
Oils	8	2	28
Plantations	6	3	22
Mines	64	18	58
Recent Issues	4	8	23
Totals	388	564	1,464

LONDON TRADED OPTIONS

Option	Ex'rc'se price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	1000	190	1	262	—	278	—	1190p
BP	1100	90	6	178	—	198	5	"
BP	1150	40	35	140	2	162	—	"
BP	1200	¼	14	102	—	152	5	"
BP	1300	—	—	42	16	76	—	"
Com. Union	160	14	—	25	4	28	9	174p
Com. Union	180	¼	39	12	—	17	—	"
Cons. Gold	180	48	1	56	—	64	—	226p
Cons. Gold	200	28	9	38	—	46	—	"
Cons. Gold	220	8	55	23	—	34	—	"
Cons. Gold	240	¼	46	12	2	21	—	"
Courtaulds	100	1½	54	11	—	12	—	101p
Courtaulds	110	¼	11	7½	15	9½	25	"
Courtaulds	120	¼	58	4	100	5½	—	"
Courtaulds	130	¼	23	2	—	—	—	"
GEC	360	53	1	86	5	99	—	411p
GEC	390	23	24	60	—	74	—	"
GEC	420	½	24	40	30	54	—	"
Grand Met.	120	48	3	58	—	59½	—	168p
Grand Met.	130	38	—	48	—	49½	10	"
Grand Met.	140	28	14	38½	—	41	—	"
Grand Met.	160	8	48	25	42	29	—	"
Grand Met.	180	—	—	14½	34	21	5	"
ICI	360	39	1	54	—	63	—	398p
ICI	390	9	45	32	20	42	37	"
ICI	420	½	117	17	7	25	—	"
Land Secs	240	54	3	72	—	79	—	294p
Land Secs	280	14	—	34	6	46	5	"
Land Secs	300	½	2	22	10	33	—	"
Marks & Sp	100	21	50	29	—	31	10	120p
Marks & Sp	110	11	35	21	1	24	—	"
Marks & Sp	120	1	5	16	11	19	—	"
Shell	700	40	20	102	1	128	—	740p
Shell	750	¼	3	59	18	80	1	"
Shell	800	¼	7	29	2	53	—	"
Totals			754		324		112	
		May		August		November		
Boots	240	8½	—	15	—	21	2	230p
Boots	260	3	8	—	—	—	—	"
EMI	130	6½	18	17	1	24	9	127p
ImperialGp	100	12½	12	15½	20	18	2	107p
ImperialGp	110	6	27	10	2	12	—	"
RTZ	280	38	9	57	—	74	—	309p
RTZ	330	11	47	30	18	44	—	"
Totals			121		41		13	

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979 high	1979 low
GEC	25p	11	412	− 7	433	311
BP	£1	9	1,188	−10	1,206	882
Grand Met.	50p	9	169	− 1	170½	112
ICI	£1	9	398	—	406	346
GUS "A"	25p	8	418	− 2	432	288
Shell Transport	25p	8	738	− 6	778	556
Woolworth (F.W.)	25p	8	81	− 4	87	62
Burmah Oil	£1	7	127	+ 2	127	82
BSG Intl.	10p	6	47¼	+ ¼	47½	35¼
Harris (P.)	20p	6	151	− 5	170	90
RTZ	25p	6	310	+ 5	322	226
Scot. New. Brews.	20p	6	68	− 1	70	55
Barclays Bank	£1	5	473	− 3	482	360
Bowater	£1	5	200	—	206	171
Cad. Schweppes	25p	5	61½	− ½	63½	51

NEW HIGHS AND LOWS FOR 1979

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979.

NEW HIGHS (137)

BRITISH FUNDS (2)
BANKS (1)
BEERS (2)
BUILDINGS (11)
CHEMICALS (1)
DRAPERY & STORES (8)
ELECTRICALS (3)
ENGINEERING (12)
INDUSTRIALS (18)
INSURANCE (4)
LEISURE (1)
MOTORS (5)
NEWSPAPERS (1)
PAPER & PRINTING (2)
PROPERTY (1)
SHIPPING (2)
TEXTILES (5)
TRUSTS (54)
OILS (4)

NEW LOWS (23)

BRITISH FUNDS (1)
Exchequer 11pc 1991 £15 pd.

AMERICANS (8)
Amax
Rexnord
Bendix Corp.
Richardson Merrell
Caterpillar Tractor
Singer
Exxon
U.S. Steel

ENGINEERING (1)
Stothert & Pitt

INDUSTRIALS (2)
Emhart Corp.
Unilever N.V.

INSURANCE (1)
Minet

SHIPPING (1)
Ocean Transport

TEXTILES (2)
Mackinnon of Scotland
Snia Viscosa

MINES (7)
Acmex
North West Mining
BH South
Peko-Wallsend
Conzinc Riotinto
Tara Exploration
Haoma Gold

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p‡	+ or −	Div. or Amount	Times Covered	Gross Yield	P.E. Ratio
§95	F.P.	—	194	150	††Appl. Computer	165	......	0.7	11.0	0.6	28.4
65	F.P.	20/2	174	68	Caledonian Hldgs.	174	......	b7.3	1.6	6.3	14.8
**	F.P.	16/2	170	118	Hunting Assoc. Defd.	165	......	—	—	—	—
**	F.P.	9/2	44	31	M. Y. Dart Defd.	44	......	—	—	—	—
95¶¶	F.P.	20/4	122	97	Sedgwick F.New10p	109	−1	T5.0	2.1	6.8	10.2

FIXED INTEREST STOCKS

Issue Price £	Am'unt Paid up	Latest Renunc Date	1979 High	1979 Low	Stock	Closing Price £	+ or −
99¾	F.P.	—	99¾	99¾	Cleveland (County of) Var. Rate 1984	99¾	......
‖	—	—	53	52¾	Eng. Assoc. Sterling Fd. Part. Red. Prf.	53	+⅛
§100	F.P.	4/5	106p	103p	Grant (James) 10¾% Pref.	105p	−1
96	£20	23/5	25	19½	ICFC 12½% Uns Ln 1992	24¼	−¼
¶	F.P.	27/7	101½	99	Lee Valley Water 8% Red. Prf. 1986	101½	......
**	—	11/5	108p	105p	Lyles (S.) 11% Cum. Pref.	106p	......
72½	—	—	79	70½	MEPC 6½% Conv. Uns. Ln. 1995-2000	77½	+½
**	F.P.	26/4	180p	106p	Tricoville 10¾% Pref.	106p	......

"RIGHTS" OFFERS

Issue Price p‡	Am'unt Paid up	Latest Renunc. Date ●	Latest Renunc. Date ■	1979 High	1979 Low	Stock	Closing Price p‡	+ or −
200c	Nil	—	—	10pm	5pm	Abercom Invs.	5pm	−6
12	Nil	27/4	18/5	8½pm	4½pm	Armour Trust	7pm	−1
185	Nil	—	—	42pm	37pm	Beatson Clark	42pm	......
115	F.P.	30/3	20/4	160	147	Brammer (H.)	159	......
60	F.P.	6/3	27/4	89	66	Burco Dean	82	......
88	F.P.	30/3	27/4	117	99	Cement-Roadstone	99	−1
20	Nil	27/4	1/6	78½pm	75½pm	Crest Nicholson	76pm	−1
33	F.P.	22/3	4/5	48½	38	Hirst & Mallinson	49½	......
185	F.P.	23/3	18/5	235	210	Johnson Matthey	232	......
67	F.P.	7/3	20/4	109	74½	Macpherson (D)	103	......
5p	Nil	—	—	7pm	3pm	Maddock	5pm	+2
34	Nil	24/4	12/6	26pm	17pm	Norfolk Cap. Hotels	17pm	−1½
44	Nil	19/4	31/5	28½pm	21pm	Park Place Invs.	24pm	+1
225	F.P.	12/3	20/4	298	232	Rank Org.	278	−18
27	F.P.	14/3	25/4	37	33½	Sekers Intl.	37	......
20	Nil	27/4	15/6	9pm	7½pm	Singlo Holdings	9pm	......
100	Nil	27/4	18/5	20pm	15pm	Unicorn Inds.	20pm	......

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. ☐ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. * with warrants. †† Unlisted security.

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	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Wed., April 18, 1979 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net)	Tues., April 17 Index No.	Thurs., April 12 Index No.	Wed., April 11 Index No.	Tues., April 10 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	272.54	−0.7	15.20	5.05	8.89	274.60	275.54	272.66	272.55	200.42
2	Building Materials (27)	256.39	−0.8	15.15	5.23	9.00	258.49	259.13	258.85	258.31	178.91
3	Contracting, Construction (28)	420.68	+0.1	18.87	4.91	7.38	420.35	418.84	414.51	415.22	312.59
4	Electricals (14)	656.40	−1.6	11.89	2.91	11.51	666.81	673.98	662.31	661.37	424.32
5	Engineering Contractors (12)	401.37	−0.6	17.59	5.65	7.65	403.64	401.64	393.78	394.21	292.85
6	Mechanical Engineering (75)	202.97	−0.4	16.62	5.69	8.00	203.71	204.10	202.73	202.57	161.32
8	Metals and Metal Forming (16)	180.74	−0.2	16.30	8.50	8.13	181.15	181.07	179.54	179.31	159.86
	CONSUMER GOODS										
11	(DURABLE) (53)	249.04	−0.5	14.33	4.37	9.27	250.31	250.68	248.58	245.97	184.41
12	Lt. Electronics, Radio, TV (16)	337.99	−0.8	11.22	3.13	12.61	340.74	341.69	339.56	335.28	217.22
13	Household Goods (12)	176.14	−0.5	16.82	6.77	8.21	177.08	176.26	174.63	173.35	165.59
14	Motors and Distributors (25)	128.51	+0.1	20.53	6.53	6.00	128.32	128.31	126.65	125.82	116.60
	CONSUMER GOODS										
21	(NON-DURABLE) (170)	255.23	−0.6	14.02	5.15	9.26	256.75	257.46	256.51	254.80	195.52
22	Breweries (14)	291.14	−0.9	13.08	5.16	9.70	293.74	295.81	294.04	291.56	223.56
23	Wines and Spirits (6)	330.19	−0.5	14.18	4.53	10.29	331.78	333.17	333.00	329.35	254.00
24	Entertainment, Catering (17)	357.73	−0.6	13.20	5.36	10.09	359.87	361.83	359.08	356.05	249.24
25	Food Manufacturing (19)	223.80	−0.4	17.47	5.05	7.34	224.61	226.11	225.64	225.77	188.36
26	Food Retailing (15)	301.41	−0.2	10.69	3.92	12.71	301.96	303.07	300.95	299.22	191.50
32	Newspapers, Publishing (12)	465.54	—	19.54	5.50	7.26	465.67	464.60	461.80	458.89	335.81
33	Packaging and Paper (15)	149.72	+0.2	17.21	7.29	7.49	149.38	150.37	150.25	150.58	126.98
34	Stores (40)	256.68	−0.9	9.87	3.73	14.09	259.07	258.65	257.70	256.07	181.55
35	Textiles (23)	[illegible]	[illegible]	[illegible]	8.53	7.06	179.58	179.85	178.87	179.61	178.16
36	Tobaccos (3)	[illegible]	−0.4	[illegible]	[illegible]	5.49	273.13	275.18	273.86	267.37	235.50
37	Toys and Games (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	96.83	95.70	95.11	96.54	98.23
41	OTHER GROUPS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	223.36	223.50	222.34	221.33	182.45
[illegible]	Chemicals (18)	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]	312.62	311.96	310.38	248.26
[illegible]	Pharmaceutical [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	262.66	263.19	262.84	243.84
[illegible]	Office Equipment [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	149.26	148.02	148.19	127.18
[illegible]	Shipping (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	439.70	437.75	437.87	411.42
[illegible]	Miscellaneous [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	255.94	252.98	251.41	192.25
[illegible]	INDUSTRIAL GROUP [illegible]	[illegible]	−0.5	[illegible]	[illegible]	[illegible]	259.45	261.06	259.47	258.20	199.22
[illegible]	Oils [illegible]	[illegible]	−0.5	[illegible]	[illegible]	[illegible]	668.26	670.58	673.09	669.58	451.09
[illegible]	500 SHARE INDEX	[illegible]	−0.6	[illegible]	[illegible]	9.30	293.76	294.51	293.19	291.75	228.24
61	FINANCIAL GROUP (115)	205.74	−0.4	—	5.01	—	206.67	208.07	206.83	204.57	161.02
62	Banks (6)	242.95	−0.8	27.49	4.98	4.69	244.98	247.26	248.08	244.88	193.33
63	Discount Houses (10)	267.14	−0.7	—	6.92	—	268.97	268.28	268.65	270.54	194.49
64	Hire Purchase (5)	191.44	−0.4	16.75	4.61	7.66	192.26	191.65	187.73	182.43	143.57
65	Insurance (Life) (10)	171.80	−0.4	—	6.18	—	172.50	175.20	173.70	171.94	129.17
66	Insurance (Composite) (8)	147.32	—	—	6.40	—	147.27	147.96	146.03	142.99	124.59
67	Insurance Brokers (10)	322.71	−0.8	15.37	5.95	9.36	325.26	327.75	324.47	320.44	331.96
68	Merchant Banks (14)	97.28	−0.3	—	5.37	—	97.57	98.02	96.67	96.77	75.69
69	Property (42)	345.88	−0.7	3.20	2.36	49.44	348.18	349.81	347.62	345.60	236.49
70	Miscellaneous (10)	126.17	+0.8	17.91	6.36	6.95	125.14	124.93	124.50	124.51	105.72
71	Investment Trusts (111)	238.97	+0.9	—	4.61	—	236.80	237.31	236.12	234.42	197.63
81	Mining Finance (4)	133.47	+1.5	14.08	5.40	8.74	131.48	131.87	132.30	131.87	93.66
91	Overseas Traders (20)	366.69	−0.4	13.70	6.88	9.28	368.33	369.83	367.81	364.88	292.59
99	ALL-SHARE INDEX (750)	268.21	−0.4	—	4.94	—	269.37	270.25	269.08	267.35	204.44

FIXED INTEREST PRICE INDICES

	British Government	Wed., April 18	Day's change %	xd adj. today	xd adj. 1979 to date
1	Under 5 years	107.81	−0.30	0.21	2.73
2	5-15 years	122.12	−0.29	0.88	2.98
3	Over 15 years	128.08	−1.04	—	4.95
4	Irredeemables	140.53	−1.31	—	1.78
5	All stocks	118.45	−0.60	0.28	3.54

FIXED INTEREST YIELDS
Br. Govt. Av. Gross Red.

			Wed., April 18	Tues., April 17	Year ago (approx.)
1	Low Coupons	5 years	9.23	9.08	8.34
2		15 years	10.18	10.02	10.62
3		25 years	10.77	10.62	11.14
4	Medium Coupons	5 years	10.85	10.68	10.38
5		15 years	11.47	11.31	11.98
6		25 years	11.61	11.48	12.10
7	High Coupons	5 years	11.23	11.17	10.81
8		15 years	11.85	11.80	12.51
9		25 years	11.88	11.74	12.66
10	Irredeemables		10.68	10.45	10.86

		Wed., April 18 Index No.	Wed., April 18 Yield %	Tues., April 17	Thurs., April 12	Wed., April 11	Tues., April 10	Mon., April 9	Fri., April 6	Thurs., April 5	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	60.90	†12.19	60.56	60.73	59.81	59.78	59.61	59.38	59.18	59.52
16	Investment Trust Prefs. (15)	52.83	13.25	52.55	52.55	52.10	51.32	51.36	51.28	51.46	54.93
17	Coml. and Indl. Prefs. (20)	74.78	12.49	74.78	74.75	73.26	73.06	73.05	72.79	72.79	71.43

† Redemption yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p.

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INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong

Jardine Estn. Tst.	HK$318.08	....	2.40
Jardine J'pn.Fd.*	HK$408.50	....	0.90
Jardine S.E.A.	$US16.89	....	2.10
Jardine Flem.Intl.	HK$12.86	....	—
Intl.Pac.Secs.(Inc.)	HK$13.76	....	—
Do (Accum.)	HK$13.96	....	—

NAV March 30. *Equivalent US$81.88. Next sub. day April 12.

World Wide Growth Management◆
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	US$26.86	......	—

Wren Commodity Trust
10, St. George's St., Douglas IoM 0624 25015

Wren Commod. Tst.	58.6	59.1	......	—

NOTES

Prices do not include $ premium, except where indicated ◆, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ◆. § Guernsey gross. # Suspended. ◆ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

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FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
23	22	Antofagasta Rly...	22	......	—	—
40	39	Do. 5pc Pref......	40	......	—	—
98	98	Chilean Mixed......	98	......	—	13.10

BONDS & RAILS—Cont.

[illegible]

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 22¼% (based on US$2.0730 per £)
Conversion factor 0.8169 (0.8138)

CANADIANS

[illegible]

S.E. List Premium 22¼% (based on $2.3637 per £)

BANKS AND HIRE PURCHASE

[illegible]

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
90	63	F. C. Finance....	78	......	2.2	ϕ	4.3	ϕ
8	5¼	First Nat. 10p...	7	......	—	—	—	0.5
3	2	Do. Wrrts. 75-83	2¾	......	—	—	—	—
16¼	13½	Fraser Ans. 10p	16½	+¼	—	—	—	—
235	178	Gerrard Natnl...	234	......	g9.12	—	5.8	—
62	45	Gibbs (A.).......	54	−2	2.23	—	6.2	—
270	217	Gillett Bros. £1.	270	......	16.95	—	9.4	—
29	19	Goode D't Mry.5p	28	......	0.25	—	1.3	—
146	116	Grindlays........	140	......	3.07	7.5	3.3	4.3
120	98	Guinness Peat ..	108	+1	H5.67	—	7.8	—
277	173	Hambros.........	268	−6	†9.76	—	5.4	—
107	78	Hill Samuel......	104	+1	†4.97	—	7.1	—
270	40	Do. Warrants..	210	......	—	—	—	—

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

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CENTRAL AFRICAN

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MINES—Continued

AUSTRALIAN

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
14	10	Acmex	10	−1	—	—	—
171	129	Bougainville 50 Toea	131	−3	Q15c	1.0	7.1
140	92	BH South 50c	92	−4	—	—	—
540	340	Central Pacific	520	......	—	—	—
318	230	Conzinc Riotinto 50c.	230	−8	§Q10c	2.0	2.6
36	26	Cultus Pacific N.L.	26	......	—	—	—
21½	15	Endeavour 20c	15	......	—	—	—
98	62	G.M. Kalgoorlie $1	63	......	—	—	—
42	28	Haoma Gold N.L.	28	−2	—	—	—
170	148	Hamptn Areas 5p.	167	......	♦3.55	2.0	3.2
56	25	Metals Ex. 50c	52	−1	—	—	—
275	197	M.I.M. Hldgs. 50c	214	−4	†Q9c	1.7	2.4
15	15	Minefields Expl.	15	......	—	—	—
74	38	Mount Lyell 25c	57	......	—	—	—
44	18	Newmetal 20c	20	......	—	—	—
141	104	North B. Hill 50c	104	−3	†Q8c	1.3	4.4
22	11	Nth. Kalgurli	15	+1	—	—	—
40	25	Nth. West Mining	25	−2	—	—	—
137	90	Oakbridge $A1	92	−1	Q12c	1.9	7.6
37	22	Oilmin N. L.	32	......	—	—	—
120	58	Pacific Copper	86	−1	—	—	—
£10¾	675	Pancont'l 25c	675	−25	—	—	—
25¾	17½	Paringa M&Ex.5p	20	+1	—	—	—
510	330	Peko-Wallsend 50c.	330	−2	Q15c	3.3	2.6
215	145	Southern Pacific	205	......	—	—	—
188	139	Westn. Mining 50c	152	−4	†Q3c	0.7	1.1
11	9	Westmex	10	......	—	—	—
65	50	Whim Creek 20c	60	......	—	—	—

TINS

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
30	23	Amal. Nigeria	29	......	2.81	1.3	14.4
435	320	Ayer Hitam $M1	320	......	Q300c	0.5	20.1
72	51	Beralt Tin	68	......	4.0	♦	8.8
270	200	Berjuntai $M1	210	......	†Q110c	1.0	12.6
160	145	Geevor	160	......	H5.57	5.8	5.2
10	8	Gold & Base 12½p	9½	......	—	—	—
365	295	Gopeng Cons.	365	......	18.0	1.4	7.4
360	295	Hongkong	360	......	12.5	2.8	5.2
70	64	Idris 10p	69	......	‡12.0	1.6	‡
14	9½	Jantar 12½p	14	......	—	—	—
80	66	Kamunting $M0.50.	80	......	†Q12.5c	2.1	3.4
620	210	Killinghall $M1	335	......	—	—	—
465	365	Malay Dredging $M1	395	......	†175c	0.7	9.5
57	42	ΔPahang	43	......	—	—	—
85	60	Pengkalen 10p	80	......	4.5	1.2	8.4
240	205	Petaling $M1	215	......	Q120c	1.3	12.0
85	73	Saint Piran	78	+1	†2.03	6.5	3.9
58	53	South Crofty 10p	58	+2	†4.19	2.0	10.8
210	170	South Kinta $M0.50.	185	−5	†tQ145c	0.6	16.8
405	285	Sthn Malayan $M1	345	......	†Q190c	1.0	11.8
285	210	Sungei Besi $M1	260	......	mQ65c	5.3	5.4
75	52	Supreme Corp. $M1	53	......	ZQ10c	—	4.1
105	94	Tanjong 15p	102	......	6.60	0.8	9.7
265	205	Tronoh $M1	240	......	‡Q88c	1.6	‡

COPPER

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
104	56	Messina R0.50	96	+1	—	—	—

MISCELLANEOUS

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
74	54	Barymin	62	−2	—	—	—
13½	11	Burma Mines 17½p	11	......	—	—	—
345	170	Cons. Murch. 10c.	260	+25	—	—	—
410	340	Northgate C$1	350	+10	—	—	—
322	226	R.T.Z.	310	+5	9.5	2.8	4.6
65	40	Sabina Inds. C$1	44	......	—	—	—
880	712	Tara Expln. $1	712	−13	—	—	—

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
$13¼	$10½	Buffels R1	$11⅞	+¾	Q190c	♦	18.4
$11¼	890c	East Drie R1	$10	+⅜	Q115c	1.6	13.2
470c	350c	East Rand Prp. R1	410c	+10	Q10c	—	2.9
$24¼	$18¼	F.S. Geduld 50c	$22	+½	Q315c	2.4	16.4
$14⅜	$11⅛	Pres. Brand 50c	$13	+¼	Q150c	3.2	13.2
$14¼	$10¼	St. Helena R1	$10¾	+½	Q190c	1.4	20.4
595c	407c	Stilfontein 50c	530c	+20	Q66c	♦	14.3
$24¼	$18¼	Vaal Reefs 50c	$22½	+1½	Q280c	2.7	14.3
$35¼	$28¼	West Drie R1	$30⅛	+⅞	†Q385c	1.7	14.7
$29½	$22¼	West Hldgs. 50c	$28⅛	+1⅛	Q415c	1.4	17.0
$13	$10⅜	Western Deep R2	$10⅞	+½	Q147½c	2.1	15.6

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- ≠ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ƒ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✱ Regional price.
- ǁ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend; cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. §§ Yield based on assumption Treasury Bill Rate stay unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

"Recent Issues" and "Rights" Page 40

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £400 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	27½	......
Ash Spinning	107	......
Bertam	28	......
Bdg'wtr. Est. 50p	400	−2
Clover Croft	28	......
Craig & Rose £1	£10⅞	......
Dyson (R. A.) A	35	......
Ellis & McHdy.	70	......
Evered	27½	......
Fife Forge	54	......
Finlay Pkg. 5p	22	......
Graig Ship. £1	175	......
Higsons Brew.	87	......
Holt (Jos) 25p	269	......
I.O.M. Stm. £1	170	......
Pearce (C. H.)	210	......
Peel Mills	30	......
Sheff. Refrshmt	82	......
Sindall (Wm.)	142	+2

IRISH

Conv. 9% '80/82	£92⅛	+¼
Alliance Gas	103	......
Arnott	385	......
Carroll (P.J.)	105	......
Clondalkin	85xd	......
Concrete Prods.	90	......
Heiton (Hldgs.)	62	......
Ins. Corp.	220	......
Irish Ropes	105	......
Jacob	40	......
T.M.G.	245xd	+5
Unidare	85	......

OPTIONS
3-month Call Rates

Industrials					
A. Brew	7	I.C.I.	20	Unilever	55
BOC Intl.	6	"Imps"	9	U.D.T.	4
B.S.R.	8	I.C.L.	40	Utd. Drapery	10
Babcock	14	Inveresk	7	Vickers	17
Barclays Bank	32	KCA	4	Woolworths	6½
Beecham	52	Ladbroke	18	**Property**	
Blue Circle	18	Legal & Gen.	14	Brit. Land	5
Boots	18	Lex Service	9	Cap. Counties	7
Bowaters	18	Lloyds Bank	25	E.P.	3½
B.A.T.	28	"Lofs"	5	Intereuropean	5
Brown (J.)	50	London Brick	7	Land Secs.	20
Burton 'A'	22	Lonrho	9	MEPC	15
Cadburys	5	Lucas Inds.	25	Peachey	13
Courtaulds	10	"Mams"	18	Samuel Props.	14
Debenhams	8	Mrks. & Spncr	9	Town & City	2
Distillers	21	Midland Bank	30	**Oils**	
Dunlop	6½	N.E.I.	14	Brit. Petroleum	70
Eagle Star	10	Nat. West. Bank	28	Burmah Oil	11
E.M.I.	14	Do. Warrants	15	Charterhall	3½
Gen. Accident	21	P & O Dfd.	8	Shell	48
Gen. Electric	32	Plessey	10	Ultramar	24
Glaxo	50	R.H.M.	5	**Mines**	
Grand Met.	12	Rank Org.	25	Charter Cons.	16
G.U.S. 'A'	30	Reed Intnl.	16	Cons. Gold	17
Guardian	24	Spillers	5½	Rio T. Zinc	27
G.K.N.	24	Tesco	6		
Hawker Sidd	22	Thorn	22		
House of Fraser	15	Trust Houses	27		
		Tube Invest.	30		

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES

Thursday April 19 1979

Retail sales show signs of recovery

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

RETAIL SALES so far this year have been lower than in the second half of 1978, but there are signs of an improvement in trade over the last fortnight.

The sluggish level of consumer spending has been matched by sharp fluctuations in industrial production partly caused by the winter strikes.

It seems that, apart from the continued strong growth of North Sea oil production, there has been little growth in total output in the UK economy since the end of last summer.

The index for retail sales volume last month was 110.5 (1971 = 100, seasonally adjusted), according to the provisional estimate published yesterday by the Department of Trade. This is roughly the same as in February.

Over the first three months of this year spending in the shops was nearly 1½ per cent lower than in the October-December period of 1978. Some of this decline reflected the very depressed level of sales in January, which in turn was partly the result of the lorry drivers' dispute.

Even after the end of the strike, however, sales in February and March were lower in real terms than last summer and autumn. The poor winter weather seems to have been a major influence, especially on sales of non-food shops. For instance, the delayed spring depressed sales of clothing and footwear.

But the improved weather so far this month appears to have boosted sales. Turnover in the department stores and food shops of the John Lewis Partnership was 25 per cent higher in value in the first week of April than 12 months before, and this implies a substantial volume gain.

The exact pattern of sales is likely to be affected by the extent of a possible pre-Budget spending spree next month. If the Conservatives win the election, there may be speculation about an early increase in VAT or in the duties on alcohol, tobacco and petrol.

Prospects for the rest of 1979 will also depend on the balance between the temporary boost to disposable income from current pay settlements and any rise in personal savings as a result of a slightly faster rate of inflation.

The volume of spending in the first three months of the year was 3.6 per cent higher than in the same period of last year. The value of sales in the same period was 12 per cent higher than a year ago.

The Retail Consortium, which represents a wide range of store groups, said the first quarter figures were disappointing. It had expected trade to be *reasonably good in the first half of the year*. Nevertheless, the volume of sales should be higher overall this year than in 1978, though the percentage rise is unlikely to be as large as the 5.4 per cent gain last year.

RETAIL SALES

		Volume index (1971=100, seasonally adjusted)	Value—percentage change compared with year earlier, not adjusted
1977	1st	103.3	+14
	2nd	102.4	+13
	3rd	104.2	+15
	4th	104.7	+13
1978	1st	106.4	+13
	2nd	107.9	+15
	3rd	110.7	+14
	4th	111.7	+14
1979	1st*	110.2	+12
	Jan.	109.6	+13
	Feb.	110.4	+12
	Mar.*	110.5	+12

* provisional.
Source: Department of Trade.

ICI bill for naphtha will be £100m higher this year

BY SUE CAMERON, CHEMICALS CORRESPONDENT

ICI EXPECTS its bill for naptha, a basic petrochemical feedstock, to be £100m higher this year than in 1978.

Mr. Maurice Hodgson, chairman, told the group's annual meeting in London yesterday that the company was likely to have to pay £350m for its naphtha for the UK alone, despite recent falls in price. In 1978 the cost was £250m.

The price on the spot market had risen from about £70 a tonne last June to a peak of roughly £150 at the beginning of March. While the price had since declined to about £125, it was most unlikely that there would be a return to the levels of 1978.

ICI said yesterday that about 40 per cent of the naphtha it took up was sensitive to spot market prices. The rest of the group's naphtha is obtained at contract prices which are lower than those on the spot market.

Mr. Hodgson attacked the "potentially threatening" proliferation of chemical compensation deals with Eastern bloc countries. Under compensation deals Eastern bloc countries pay for Western technology to build new plants with product from those plants.

Deals of this type could hit Western Europe's chemical markets, Mr. Hodgson said. The arrangement was "very favourable" for the Eastern bloc country.

"It receives Western technology, usually for a fraction of its true worth, together with the finance needed to buy equipment and pay for the construction of the plant, often provided at low or negligible rates of interest.

We then help them load up the plant quickly, sometimes disrupting our own markets with low-priced imports we do not need.

"We welcome the opportunity to trade with Comecon countries provided this is done on a basis which gives us equal access to their markets, but arrangements of this kind are far from even-handed between the two parties.

Moreover, when they are entered into by Japanese or American companies, it is the European market which somehow seems to have to bear the burden of the unwanted imports."

ICI is a par* to one of the biggest compensation deals yet agreed. It is providing the Russians with the technology to build two methanol plants at an estimated cost of $250m (£120m).

Shell warns of oil decline by 1985

BY SUE CAMERON

SHELL WARNED yesterday that the UK will stop being self-sufficient in oil by 1985 unless governments make it more financially attractive for the oil companies to develop some of the North Sea's smaller oil fields.

Mr. Peter Baxendell, a Shell managing director, said that Britain was capable of maintaining self sufficiency in oil until 2000. But this would only be possible if there was greater tax stability for the oil industry.

About 3.5bn barrels of oil were locked in small, marginal oilfields in the North Sea, but it would "not be economic to develop them under the present tax system."

The oil industry had "no way of knowing that North Sea taxes will not be changed again in a year's time." This made it impossible for companies to foresee their cash flows or "make any sort of economic analysis" of their planned operations.

He said that the North Sea UK fields should be producing well over 2m barrels a day by the early 1980s and 2m barrels a day was the amount the UK required to be self-sufficient. But production would decline after 1985 below 2m barrels a day unless some of the marginal fields were developed and brought on stream.

Mr. Baxendell also attacked the preferential treatment given to the British National Oil Corporation on farm-in deals—under which an outsider company is given a stake in a field in return for carrying the exploration costs of a certain part of it. Because BNOC had to be given first option on any farm-in deal, all the acreage round and oil discovery could be taken by BNOC.

● Mr. Michael Pocock, chairman of Shell Transport and Trading, said that Gulf Oil has agreed to pay Shell £30m for its interest in the nuclear fuel side of the General Atomic Company's business. General Atomic is jointly owned by Shell and Gulf on a 50-50 basis but the company has run into difficulties.

BL shop stewards disrupt parity plan

By Alan Pike, Labour Correspondent

BL SHOP STEWARDS yesterday decided to withdraw from plant negotiations with the company until a dispute over proposals to introduce pay parity on a factory-by-factory basis is resolved.

The move means shop stewards will refuse to take part in job evaluation exercises at five factories which already qualify for parity payments, delaying any payment to the more than 20,000 workers involved.

As the 350 shop stewards met in Birmingham yesterday, leaders of the unofficial craftsmen's strike decided to continue their action on pay parity and separate negotiating rights. The strike leader, Mr. Roy Fraser, is to address a meeting of skilled workers at Longbridge—BL's biggest car factory—and urge them to join in. The date has yet to be fixed.

BL said last week that the productivity levels of some plants did not justify parity payments, but that they would be introduced at once in factories where they had been earned.

But, Mr. Grenville Hawley, national automotive secretary of the Transport and General Workers' Union, said after yesterday's stewards' meeting that the unions were "not going to accept a company-imposed solution in any shape or form."

The decision not to negotiate with BL at plant level would remain in force until leaders of the Confederation of Shipbuilding and Engineering Unions had met the company to seek a solution to the problem.

BL said yesterday that, in addition to the five plants now qualifying for parity payments, Longbridge itself had, in the week before Easter, met the productivity target which would, if sustained, trigger parity payments. But the plant still has to meet that target for up to another seven weeks before the payments could be made.

One-day strikes halve French steel output

BY TERRY DODSWORTH IN PARIS

THE INTENSE pressure on French steel companies to change their controversial plans for reorganising the industry was increased yesterday in a day of strikes which saw output reduced to about half normal.

But, despite this apparent success in the union campaign against restructuring, the effectiveness of the inter-union plan to cripple steel production was being questioned last night.

For a very large proportion of the production cuts resulted from strikes over wages in the industry's two big modern plants at Dunkirk an the Channel coast and at Fos on the Mediterranean.

These two plants are unaffected by the restructuring proposals and account for some 35 per cent of France's production although they employ fewer than 20,000 men out of the total 130,000 in the industry.

The rest of yesterday's production losses came mainly at Longwy, in Lorraine, and Denain, in the north of France, both decaying steel-making towns which will be hard hit by the reorganisation. But support for yesterday's industrial action in these two plants, the centre of much of the unrest in the industry over the past few weeks, was less than total, according to some reports.

Experts call for redesign of 42 U.S. reactors

BY DAVID BUCHAN IN WASHINGTON

A TOP U.S. advisory panel on reactor safety has called for design and operating changes in America's 42 pressurised water reactors similar to the crippled Three Mile Island plant in Pennsylvania.

The *Advisory Committee on Reactor Safety* recommended to the Nuclear Regulatory Commission that steps be taken to improve systems for taking samples from reactors under accident conditions, to provide better instrumentation, and to adjust temperature sensors to give readings at higher levels.

A crucial temperature gauge at the Three Mile Island reactor printed out nothing but question marks after the accident there.

The recommendations by the panel, made up of 14 reactor safety experts, are not binding on the commission, whose staff, along with officials of Babcock and Wilcox, of the U.S., the company which built the Pennsylvania reactor, had suggested earlier that improved training and operating procedures were all that were required.

But the recommendations, which would inevitably involve nuclear power companies in considerable extra cost, may win the backing of those critics, in Congress and elsewhere, of present reactor safety systems.

Meanwhile, Metropolitan-Edison, the company that operated the Three Mile Island plant, has begun to count the immediate cost of the accident. Its executives told the Pennsylvania commission that regulates electricity rates that, unless the company was allowed a $33m (£16.5m) rate increase it faced bankruptcy.

A lawyer told the State commission on Tuesday that the company needed to borrow as much as $67m in the next three months to buy replacement electricity, to pay salaries, and to meet some of the immediate costs of cleaning up the plant.

"If this commission does nothing, I don't know if we could borrow a single dime," he declared.

Metropolitan-Edison's insurer has already paid out nearly $1m in claims to people who left the area temporarily, although no general evacuation was ordered. No claims for damage to the plant have been paid, because the cost has not been assessed and will not be for some time, according to company officials.

The industry after Harrisburg, Page 24

Lord Thomson: No plan to sell Times

BY CHRISTIAN TYLER, LABOUR EDITOR

LORD THOMSON of Fleet yesterday answered mounting speculation about the future of The Times and the Sunday Times by emphasising that the Thomson Organisation had no plans to sell the titles.

He said in Toronto that the situation was now crucial, and when situations became crucial it was time to start looking for more drastic things to happen.

The sale of the Times was "one of those awful spectres we would not want to contemplate."

Asked in London about options discussed with Sunday Times journalists — including moving the whole enterprise out of the capital—Mr. Michael Mander, deputy chief executive, said last night: "To say we have considered specific options seriously would be premature. Our aim is to get a solution within a conventional Fleet Street context.

Among possibilities discussed were transferring production either to an existing publishing centre such as Manchester, Newcastle or Glasgow, or to a greenfield site. This would cost up to £30m.

It has also been suggested that the Times and the Sunday Times, suspended since November 30 and now set for a further long siege in the battle with print unions, might offer individual contracts of employment.

These ideas, which surfaced at a meeting of Sunday Times journalists with Mr. Harold Evans, its editor, were strongly discounted by the company's executives yesterday as being impractical, premature, or both.

An authoritative view is that the company is prepared to wait for up to six months in order to secure the agreements on manning, new technology and working practices it has demanded from its union branches. After that, closure —but not necessarily a sale— might be inevitable.

It will cost the organisation £1½m a month to pay its overheads and the salaries of the 1,200 employees — managers, journalists, and some print-workers—who have signed agreements. This compares with the £12m spent since suspension on November 30.

The rest of the 1,800 staff, temporarily re-engaged under the truce arranged by Mr. Albert Booth, Employment Secretary, will be dismissed again from next week.

Neither side expects the National Graphical Association, whose national executive meets today to accept arbitration over the central question of who is to operate computer-linked keyboards for setting type when they are introduced.

The unions represented at Times Newspapers yesterday began a public campaign for the removal of the local management, and said that the offices in Gray's Inn Road would be picketed.

They intend to find other work in Fleet Street for all those dismissed before considering how to spend the £500,000 they have collected among them.

Continued from Page 1

Hattersley plan

Mr. Callaghan, in his evening speech, contrasted Labour's record of building Britain's share of high technology industry with the Conservatives' threat to withdraw State assistance and to sell off profitable companies.

"The difference between Labour and the Conservatives is that we will carry out a job creation programme in the 80s big enough to match the size of the problem.

"We will make the effort. The Conservatives say they will drop out, and leave the workers to the tender mercies of the markets."

The Premier showed a much more aggressive stance on job creation than in earlier campaign speeches. Previously, he has concentrated on attacking the Tories for threatening to withdraw State aid, thus creating much greater unemployment.

But on the eve of today's employment figures which are expected to show a further decline in the numbers out of work, Labour leaders feel able to bring the jobs issue to the forefront in a more positive way.

Continued from Page 1

ITT and STC

STC in the development of a new computerised telephone exchange system, have questioned whether STC's position as part of a multinational could be embarrassing to the consortium.

Last year, the Department of Industry and the National Enterprise Board discussed a plan for Plessey to merge with STC with help from Government funds. This plan was abandoned, but it emphasised the vulnerability of the company to further Government-inspired plans to rationalise the telecommunications industry.

STC appears to feel it would be more secure if a minority of its shares were held by private investors in Britain. The minority shareholding would also limit the freedom of ITT to dispose of STC if it should ever wish to do so. Though a flotation of less than 20 per cent of the shares can be expected in the first instance, up to about 30 per cent may be offered eventually on the open market.

Last night, a senior spokesman for the company said: "Several months ago, STC indicated that it was thinking along the lines of a public flotation. Nothing has happened to change our intentions. But clearly, we can say nothing at all about dates or the details."

THE LEX COLUMN

Iranian shadow over Burmah

The news from Burmah Oil is good—pre-tax *profits* are up from £3.6m to £17.1m, and there is an after-tax surplus for the first time since 1973—but Iran has cast a shadow over the immediate prospects for further recovery. It has proved expensive to replace the Iranian crude supplies formerly used to feed the Ellesmere Port refinery, and tanker rates could prove vulnerable to the cutback in overall volume, though so far *charterers have been willing to* pay for availability. The Board has decided that the time is "not yet appropriate" to resume dividend payments.

At the pre-interest operating level non-shipping profits spurted in the second half, and finished a fifth higher at £51.8m for the full year. An initial contribution of around £5m from the Thistle field boosted the results here, while Castrol performed well overseas and Quinton Hazell and Halfords improved in the UK. The shipping loss was reduced from £36.8m to £22.9m, but some of the £8m rise in the interest charge needs to be attributed to this side of the group, which was hit by the second half delivery of the second of the two white elephant ULCCs from Taiwan, Burmah Enterprise. Returns on the LNG carriers improved somewhat, and tanker losses were reduced by the charter cancellations provided for in the 1977 accounts — another cancellation costing £14.6m is planned but has not yet been finally agreed.

Up 2p to a new peak of 127p yesterday, the shares have had a good run, and there should still on balance be some further overall profits improvement in 1979. But the price may now be moving into a consolidation phase.

Index fell 4.5 to 534.4

Standard Chartered

As Standard Chartered Bank is moving on to a calendar year end basis and had already announced six-month figures, the "*full time*" pre-tax profits of £122.6m take the story only three months further forward. On an annualised basis pre-tax profits are up by a tenth to £146.3m but because of a higher tax charge there is only a small increase in earnings per share.

Given the strength in sterling and the sluggishness of world trade SC's performance seems creditable enough and the group *should be able to top £160m in* 1979 which should give earnings of around 90p per share. At 478p, the share are yielding 6.7 per cent. Since SC announced its bid for Union Bancorp (now complete) its shares have underperformed the market and the threat of a rigths issue still looms large. Nevertheless, the £93m property revaluation should give the group some more leeway in raising extra debt. At least it will improve SC's gearing if not its free capital ratios.

However, the real surprise in SC's statement *lies in its* treatment of bad debt provisions. In the nine months to December, SC charged £45m *to profits*—as much as Barclays, Lloyds and Midland did together in a full year. According to SC this is nothing out of the ordinary and it conservatively provides for between ¼ per cent and 2 per cent (gross) of its various advances. No wonder Lloyds Bank is sensitive about its comparatively low level of provisioning.

Delta

Delta Metal's worries about its inadequate return on capital or vulnerability to strikes—are outweighed at the moment by the feeling that things are looking up. In 1978 the company beat most forecasts with a 19 per cent rise in pre-tax *profits to £28.5m, which would* have been £31.8m but for the deconsolidation of the Macdem group in South Africa, where Delta holds 50.01 per cent of the equity but does not control the Board. The climb in profits has come entirely in the UK, as exports are down in volume and overseas profits fell £1.8m last year to £8.9m at the trading level.

The strong performance in *home markets reflects growing* benefit fro mearlier rationalisation measures as well as a general increase in demand, most evident in products for the home improvement sector.

This year UK sales are holding up well and, with some recovery expected in overseas earnings, it seems reasonable to look for pre-tax profits of over £32m on the new accounting basis. The shares yield 10.8 per cent at 81p on a dividend 2½ times covered by reported net profits and covered by current cost earnings for the first time since 1974. For some time Delta's rating has been propped up by its yield—now a fully-taxed p/e of 8.6 no longer looks high, given the improving prospects.

U.S. gold sales

The U.S. Treasury decision to halve its monthly gold sales to 750,000 ounces caught the gold market by surprise and those lucky dealers that had managed to get gold at the monthly auction were sitting on a $10m profit last night.

The decision to cut back official gold sales is logical enough. Following last November's Carter package *the dollar* has risen by around a fifth against the yen and nearly 8 per cent against the D-mark. Now is as good a time as any to reverse what looks to have been a rather ill thought out, mistaken policy. Revenue from gold sales contributed very little to financing the deficit and the gold market was getting accustomed to digesting the large amounts.

Slough Estates

Slough Estates' £24.9m rights issue of convertible stock is a piece of cautious opportunism. The company's share have risen over 40 per cent from a 1979 low of 120p, encouraging it to raise money now rather than wait until after the General Election when after a Conservative victory competition for new equity finance might become rather hectic. As it is, electoral considerations are likely to make for an exciting market in the rights, which will be traded in nil-paid from between April 23 and May 11.

There should be no dilution of the company's equity assets as the conversion price, at 192.3p a share around 13 per cent above the present market level, is probably more or less in line with the net asset value that will emerge from Slough Estates' property revaluation later this year. The 8 per cent coupon on the convertible should give an annual saving of £1¾m or so against present overdraft rates, while the issue has allowed a 30 per cent dividend increase on the ordinary shares, taking the yield, at 170p, to a towering 2.9 per cent.

Weather

UK TODAY

THE NORTH will start cloudy with rain but brighter weather will spread from north-west. The south, after a bright start, will become cloudy with some rain in the afternoon.

London, S.E. England, E. Anglia, Midlands, E. England, Channel Islands, S. Wales, Cent. N. England

Dry at first rain later.

N. Wales, N.W. England, Lakes, I of M., N.E. England, Cent. and S. Scotland, Shetland

Rain, drier later.

Highlands, Orkney, Ulster

Drizzle, becoming brighter, some hill fog.

● Outlook: Windy with showers heavy at times in the north.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	15	59	L. Plms.	F	21	70
Algiers	S	17	63	Lisbon	S	20	68
Amsdm.	C	7	45	*Locarno*	S	17	63
Bahrain	S	26	79	London	S	11	52
Barclna.	S	16	61	Luxmbg.	F	6	43
Beirut	S	22	72	Madrid	F	15	59
Belfast	C	13	55	Majorca	F	17	63
Belgrd.	R	10	50	Malaga	S	20	68
Berlin	F	7	45	*Malta*	C	15	59
Biarritz	C	11	52	Mchstr.	F	13	55
Bmghm.	S	12	54	Melbne.	C	14	57
Blackp'l	S	10	50	Milan	S	16	61
Bordx.	C	9	48	M'ntreal	S	6	43
Boulgn.	C	7	45	Moscow	C	0	32
Bristol	S	13	55	*Munich*	C	2	36
Brussels	C	7	45	Nairobi	S	20	68
Budpst.	R	−1	30	Naples	C	14	57
B. Aires	S	25	77	Nwcstl.	C	15	59
Cairo	S	40	104	N. York	S	13	55
Cardiff	C	11	52	Nice	F	16	61
Cas'b'ca	S	19	66	*Oporto*	S	19	66
Cape T.	S	20	68	Oslo	S	10	50
Chicago	S	12	53	Paris	C	8	46
Cologne	S	8	46	Perth	C	25	77
Cpnhgn.	F	6	43	Reykjvk.	C	9	48
Corfu	C	16	61	Rhodes	S	20	68
Dublin	C	12	54	Rio J'o	S	29	84
Dbrvnk.	R	12	54	Rome	F	16	61
Ednbgh.	S	13	55	Salzb'rg	R	3	37
Faro	S	24	75	Singapr.	S	31	87
Florence	C	15	59	Stckhm.	C	6	43
Frankf't	F	6	43	Strasbg.	C	7	45
Funchal	C	16	61	Sydney	R	20	68
Geneva	S	9	48	Tangier	F	19	66
Gibrltr.	S	24	75	Tehran	S	18	64
Glasgow	C	12	54	Tel Aviv	S	21	70
G'nsey	S	8	46	Tenerife	C	14	57
Helsinki	F	3	37	Tokyo	S	15	59
H. Kong	S	23	73	Toronto	S	9	49
Innsbrk.	R	5	41	Tunis	C	14	57
Invrnss.	C	12	54	Valencia	S	18	64
I.o.Man	Fg	6	43	Venice	C	15	59
Istanbul	C	15	59	Vienna	C	5	41
Jersey	S	10	50	Warsaw	F	6	43
Jo'burg	C	26	78	Zurich	C	5	41

C—Cloudy. F—Fair. Fg—Fog. R—Rain.